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THE BALANCE OF PAYMENTS OF LEBANON

1951—1952

by

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PREFACE

In January, 1953, the Economic Research Institute, at the request of the Ministry of National Economy, and with cooperation of the Statistical Services, undertook the study of the International Balance of Payments for the Republic of Lebanon.

From the Economic Research Institute, the team of research workers consisted of Edward Ye, Assistant Professor of Economics, who was in charge of the Project; Yaritza L. Benavides, Senior Research Assistant; and Nassim Saliba, Research Assistant. On the departure of Mr. Ye towards the end of January, 1954, Paul J. Klat, Assistant Professor of Economics, took charge until the completion of the study. To him also fell the task of interpreting the data and writing the manuscript.

From the Ministry of National Economy, Mr. Hikmat Shehadeh, Chief of Bureau in the Statistical Service, was delegated to work on the project; while he supervised the work in connection with the foreign trade series, his advice on the other matters was very valuable.

The report of Mr. R. S. Lyons, Statistical Advisor, British Middle East Office, on the Balance of Payments of Lebanon, undertaken at the request of the Ministry of National Economy, served as the starting point of the study.

Messrs. Edmund Asfour, Robert Porter, Assaf Nasr, and Charles Issawi read the manuscript and offered valuable criticism and suggestions.

The Institute is deeply indebted to Mr. Mustapha Nasli, Director General of the Ministry of National Economy, who, from start to finish, took personal interest in the work. The staff of the Institute were always certain of a ready and sympathetic hearing on his part whenever serious difficulties were encountered or anticipated.

It would be difficult to mention by name all those who generously contributed to the work in way of advice and criticism. To each the Institute offers sincere thanks.

[Following Editorial Page]

A. Y. Baalbaki
Director
Economic Research Institute

THE BALANCE OF PAYMENTS OF LEBANON IN 1993 AND 1992

Definitions and Method

000 A country's balance of payments represents a record of its international economic and financial transactions during a given period.

The concept of these transactions is of course very clearly and commonly definitions and classifications have been suggested. The most elaborate are those of the International Monetary Fund (IMF), and they are guiding with compilers among nations. In Lebanon, however, it would be impossible to follow closely the Fund's concepts and suggested classifications, mainly because of the inadequacy of Government statistics. Besides, even if all the needed data were available, it is doubtful whether so detailed a record as the one proposed by the Fund would be really meaningful to Lebanon today. The primary need is for a simple but sophisticated schedule; in a country where no study of the balance of payments has ever been made, either by the Government or by private institutions, it appears that the main aim of any attempt in that direction at this time should be simply to present as an close a form as possible the country's major international receipts and payments and to explain financing procedures.

100 However, and mainly in order to achieve a certain comparability of data and to profit to the utmost from available publications, it was felt that as few departures as possible should be allowed from the more internationally accepted classifications. Therefore, the procedure followed in this study is basically that of the IMF's Abbreviated Balance of Payments schedule*, adapted to Lebanon's particular conditions and requirements. The general scope of the study is shown in the following schedule:-

* International Monetary Fund, Balance of Payments Manual, Seventh Edition, September 1993, Washington D.C., U.S.A.

[3-] I. Goods and Services.
- A. [illegible]
- B. Non-Monetary Gold
- C. Foreign Travel
- D. Transport and Insurance
- E. Investment Income
- F. Government Expenditures (not included elsewhere)
- G. Miscellaneous Services

II. Donations and Capital Movements.
- A. Emigrants' Remittances and Transfers
- B. Charitable and Cultural Institutions
- C. Government
- D. Capital Movements

III. Compensatory Financial Operations.

[1-7] Wherever possible, use has been made of available official information, other available corrections and adjustments. Very often, however, the lack of data in various sectors of the economy has necessitated private inquiries which sometimes took the form of supplementary independent surveys. Thus a five-month survey was made of the imported summer resort industry, cottages, and of tourist expenditures.

[1-7] The years 1951 and 1952 have been chosen for purposes of this study, as they constitute the only twelve-month periods for which there are complete trade figures for Lebanon alone and for which final government budget accounts are available. Prior to March 1951, Lebanon formed a customs union with Syria, and trade returns of the two countries were combined. The lack of proper records makes it impossible to estimate even approximately the share of each country at that time in total exports and imports. When the customs union was terminated on March 13th, 1951, Lebanon established its own customs, started recording its commercial transactions and embarked on an independent trade and exchange policy. This development makes a preliminary computation of Lebanon's balance of payments not only possible but also necessary if the effects of the new policy are to be properly appraised.

[3-] The results obtained in this study have been summarized in the following tables in both abridged and standard forms. An

supplementary test follows. It should be emphasized here that these results are merely tentative and should not be utilized except with great caution. Indeed, some of the estimates given are perhaps no more than informed guesses. Yet, it is believed that the degree of error is not such as to distort the relationships presented in the balance here presented.

As the period of time covered in this study is relatively short, no systematic consideration of these relationships has been undertaken. However, it is planned to include such a consideration in the study of the balance of payments in 1933, which is now underway. It is expected that some general trends would then become discernible, thus making possible a general and more meaningful appraisal of the situation.

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BALANCE OF PAYMENTS

A - Abridged Schedule
(In U.S. millions)

A. Goods and Services			
Merchandise Trade		— 311.5	— 332.1
Non-Monetary Gold		6.0	— 11.5
Foreign Travel		30.3	34.5
Transportation and Insurance		7.1	11.7
Investment Income		3.0	7.0
Government, not included elsewhere		69.7	65.6
Miscellaneous Services		140.8	151.4
	Total (A)	— 55.5	— 52.4
B. Private Donations & Capital Movements			
Donations		65.1	65.0
Capital Movements		14.7	43.7
	Total (B)	79.8	108.7
C. Surplus (A + B)	Total (C)	18.9	36.3
D. Compensatory Financing			
Monetary Gold (Increase —)		— 35.9	— 13.4
Short Term Assets (Increase —)		5.0	— 10.9
	Total (D)	— 30.9	— 24.3

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BALANCE OF PAYMENTS - 1951

B. Standard Schedule
(In L.L. Million)

		Credit	Debit
A.	**Goods & Services**		
	Merchandise Trade	124.9	436.4
	Non-Monetary Gold	15.2	14.3
	Foreign Travel	35.0	14.7
	Transportation and Insurance	16.3	9.2
	Investment Income	15.6	11.8
	Government, not included elsewhere	79.5	9.8
	Miscellaneous Services		
	Transit	113.1	—
	Other Services	35.7	—
	Total (A)	435.3	496.2
B.	**Private Donations and Capital Movements**		
	Emigrants' Remittances and Transfers	58.4	4.0
	Government	0.5	—
	Charitable and Cultural Institutions	10.2	—
	Capital Movements (net)	14.7	—
	Total (B)	83.8	4.0
C.	**Total (A + B)** Total (C)	519.1	500.2
D.	**Surplus (Credit - Debit)** Total (D)	18.9	—
E.	**Compensatory Financing**		
	Monetary Gold	—	23.9
	Foreign Exchange Assets	0.9	—
	Bank Liabilities to Non-Residents	4.1	—
	Total (E)	5.0	23.9

457 BALANCE OF PAYMENTS - 1952

B. Standard Schedule
(In L.L. millions)

A. Goods & Services	Credits	Debits
Merchandise Trade	122.1	434.3
Non-Monetary Gold	25.0	36.5
Foreign Travel	47.6	25.1
Transportation and Insurance	21.2	8.5
Investment Income	16.2	9.2
Government, not included elsewhere	72.2	6.6
Miscellaneous Services		
Transit	95.4	–
Other Services	26.0	–
Total (A)	435.7	520.1
B. Private Donations and Capital Movements		
Emigrants' Remittances & Transfers	71.7	2.7
Government	2.5	–
Charitable and Cultural Institutions	13.5	–
Capital Movements (net)	43.7	–
Total (B)	131.4	2.7
C. Total (A + B) Total (C)	567.1	540.8
D. Surplus (Credit – Debit)	26.3	–
E. Compensatory Financing		
Monetary Gold	–	15.4
Foreign Exchange	–	10.4
Bank Liabilities to Non-Residents	–	0.5
Total (E)	–	26.3

Merchandise Trade

Data on foreign trade has been taken from the Customs' records. Published currently, this data includes all merchandise trade except :-

1. Goods not constituting exchanges between Lebanon and a foreign country, such as sea food caught off coastal waters, salvaged goods, goods confiscated or abandoned, and sold by the Customs.

2. Travelers' baggage, immigrants' and emigrants' belongings, and other such items not possessing the characteristics of commodity trade.

3. Minor imports and exports of nominal value, especially those sent by post, such as merchandise samples, gifts and goods valued under LL. 3.00, books, etc.

4. Special governmental purchases, including imports of military equipment.

5. Goods imported by foreign embassies and missions and by the United Nations Relief and Works Agency (UNRWA).

6. Imports of specified commercial[1] nature.

Imports are recorded at the Customs under the appropriate commodity sections and country headings ; the entries are based on the declaration of the importer and on the invoice presented when the goods are withdrawn from the warehouses. All the work is done without the use of machines. The present lack of adequate facilities not only leads to many errors in calculation, occasions great waste in time and energy and delays publication, but also makes the preparations of new tabulations extremely difficult and time-consuming ; whenever new information has been needed, as was the case for the quarterly tabulations of trade by country, it has been necessary to go back to the original Customs registers where imports are recorded.

The major adjustments which had to be made to the Customs figures have been for (1) coverage and (2) valuation. The following discussion treats each of these categories, and indicates the nature and type of adjustments actually made.

1 These imports, as well as those of UNRWA, are recorded separately at the Customs.

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A. Adjustment for Coverage

As noted above, Customs figures of imports and exports do not include personal effects of travelers and goods of nominal value. It has not been thought necessary to make any adjustment to account for these relatively small items. However, adjustments have been made with respect to the following:-

a. Re-exports: Re-exports to Lebanon are of two types: (i) those which have paid a duty upon entering the country and have then been recorded as imports, the duty being refunded when the goods are re-exported (cf. Table 1); and (ii) those which have been re-exported directly from the Customs warehouses (cf. Table 2). For balance of payments purposes only re-exports in (i) have been added to the Customs export figure since they already appear as imports and it has been impossible to isolate them; those in (ii) have been considered as part of the transit trade.

b. Gold: Gold movements (bullion and coins) are included in Customs statistics and are often recorded at a fictitious value; as there is no import duty on gold, the government does little to enforce proper declaration and recording. In dealing with this problem, the value of gold has been deducted from foreign trade figures, its quantity by weight determined, and revaluations made on the basis of quarterly free market gold prices. The new estimated values have then been set aside for inclusion in the final tabulation under non-monetary gold movements.

c. It was discovered that foreign banknotes imported have been inadvertently recorded as merchandise imports. Their value in 1951 amounted to over 7.5 million Lebanese pounds (cf. Table 3). This item has been isolated from the merchandise figures for inclusion under capital movements.

d. Imported motion picture films are also included in merchandise imports, being given a fictitious value. As most films are not purchased, but enter the country on a rental basis, this item has also been isolated and excluded from trade returns (cf. Table 4).

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e. Concessions: The Lebanese Government has entered into special agreements with some foreign concessionaires thereby allowing them to import certain commodities and

equipment free of duty. These companies may be conveniently divided into two categories according to their main center of interest and operations.

a. Some companies, like the Beirut Port Company, center their activities in Lebanon.

b. Others are branches of foreign companies undertaking particular functions which are only a part of major operations abroad. Their local concessions often have some privileges of extraterritoriality; their activities are considered as taking place outside the country, as it were, in a free zone. The Iraq Petroleum Company is in this category.

It is probably because of this distinction between the two types of companies that their imports are recorded differently at the Customs. Whereas imports of companies in (i) are combined with general imports, imports of companies in (ii) are recorded separately. For balance of payments purposes, such a distinction is meaningful: imports by foreign companies in (ii) should be excluded as they do not constitute a drain on the country's foreign exchange resources. On the other hand, imports of companies under (i) should be assimilated to private imports, as these companies, although foreign, pay for their purchases abroad from local earnings.

f. Imports of foreign embassies and missions, and imports of the United Nations Relief and Works Agency, whether destined for consumption in Lebanon or for shipment to other countries, have also been left separate for the same reasons as for imports of concessionaires under (i) above.

g. It would have been good to isolate also government imports and to include them under "government expenditures". However, this proved an impossible task as ordinary government imports are usually made through private dealers and are entered as private imports in the Customs records. On the other hand, government imports of military equipment are not recorded at all at the Customs, and only a small part of their value could be obtained.

Supplementary adjustments have also been made to account for "unrecorded transactions". This expression is here used to

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cover smuggling and genuine trade operations out declared at the Customs frontiers.

a. Smuggling. Smuggled goods may be conveniently divided into (i) merchandise, (ii) narcotics and (iii) gold. It was decided to estimate the value of smuggling in each one of the three categories on the basis of cases caught by the Customs authorities. All contraventions of Customs regulations are in fact entered into special registers, giving particulars on the date, place and nature of the contravention, the means employed, the quantity and value of goods seized, the fine imposed and the conditions of settlement. For 1951 there are over 9500 entries and for 1952 about 2000. However, not all these entries could be considered as willful cases of smuggling; some obviously refer to cases of violations of Customs regulations due to the trader's ignorance of these regulations. Such cases have of course been excluded from consideration for the evaluation of total smuggling. All goods seized are subsequently recorded as merchandise trade by the Customs authorities.

i) Export smuggling of merchandise in Lebanon is normally much larger than import smuggling, mainly because of the country's entrepot position. In 1951 and 1952, most of the import smuggling came from Syria and consisted mainly of tobacco, hosiery, linen, cattle and ammo (cooking fat), the latter especially during the second half of 1952. The value of smuggled goods seized amounted to about L.L. 477,000 in 1951 and L.L. 334,000 in 1952. However, private conversations with Customs officials and merchants would indicate that actual import smuggling was at least five times the volume of cases detected; this would make total import smuggling of merchandise about L.L. 2.4 million in 1951 and over L.L. 2.0 million in 1952.

Goods smuggled out of Lebanon went mainly to Israel and Syria; the merchandise seized is estimated at L.L. 135,350 in 1951 and L.L. 85,000 in 1952. Customs officials believe that it would be fair to assume that only 3% of the smuggled goods were actually detected. On that assumption export smuggling of merchandise was L.L. 4.7 million in 1951 and L.L. 3.0 million in 1952.

ii) Very little narcotics is smuggled into Lebanon; the Cus-

been record of detected cases (mainly of opium brought in by small boats from Turkey) is really negligible; on the other hand, a large amount of hashish is smuggled out of Lebanon with Egypt as the main destination. Customs registers indicate quantities seized valued at L.L. 132,800 in 1961 and L.L. 388,242 in 1962. It is not unlikely, however, that as in the case of merchandise export smuggling, actual traffic was at least 30 times greater, with a value of over L.L. 7.0 million in 1961 and L.L. 10.3 million in 1962.

iii) As gold movements are not considered a part of merchandise trade, gold smuggling is discussed in a later section, under non-monetary gold movements.

b. **Other unrecorded transactions**: These represent local purchases of small traders from neighbouring countries (e.g. Syria, Turkey and Jordan) who often come to Beirut either to fill specific orders of their customers or to replenish their stocks. The traders take back the purchased goods with them without recording them as exports at the Lebanese Customs. Articles involved in this traffic consist mainly of imported jewelry, perfumes, cosmetics, expensive women's and men's apparel and, in general, any luxury goods that can be easily carried. A private investigation among the main Beirut shops that cater for this business reveals that probably as much as L.L. 3 million is spent on it annually by foreign traders.

B. Adjustments for Valuation

1. Customs statistics for imports are given CIF and exports FOB. Moreover, although all imports are paid for in foreign currency bought in the free market, the Customs Administration records them in local currency, the conversion being made at the official rate of exchange, wherever official rates exist. In fact the Exchange Office has fixed such rates for fifteen foreign currencies (cf. Table 3) whose free market value may be anywhere from 2%, to 30%, higher than the official rate. Only in the rare cases where an official rate does not exist, is the free market rate used as a basis for conversion into local currency.

a. **CIF Values**. As imports at the Customs are recorded CIF, no attempt has been made, in order to conform to the IMF's

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procedure, to discover their FOB value by deducting shipping and insurance costs from the recorded Customs figures. However, many importers furnished no record of these costs; nor could these costs be isolated either by countries or by commodities. The same commodity would be competitively imported from many different countries and in varying bulk. It was felt that a much more intensive study of the problem was needed before the proper adjustments could be made. Moreover, as virtually all shipping and insurance activities are handled through foreign firms, their cost should normally appear as payments, the same way as the price of imports. Thus, as it was not expected that the use of CIF prices would do serious damage to the overall results, the attempt to discover FOB values was abandoned and all the calculations in this study have been made on the basis of CIF prices.

As Lebanese export prices are quoted FOB, no problem of adjustment for shipping and insurance payments arises in their valuation.

b. **Exchange Rates.** As noted above, the value of imports is almost always converted into Lebanese currency at the official rate, which varies substantially from the open market rate. For purposes of conversion into local currency, the Customs Administration considers only the currency used by the importer in making payment, and not that of the country of origin of the goods. In actual practice it has been found that invoices of imports from countries for which no official exchange rates are fixed by the Exchange Office usually bear the notation "To be paid in Dollars or Sterling". This applies sometimes also to many goods imported from countries for which there are official rates of exchange. In general it can be said that goods from the Sterling Area, the Franc Area, and the USA are paid for in their respective currencies, while the bulk of goods from other countries are paid for either in dollars or in sterling. It is on this basis that conversions into local currency are made. Where doubt exists as to the actual currency used for payment, the dollar is assumed to have been used and conversion into local currency is made at the official dollar rate.

The FOB values of exports are based directly on the Cus-

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some declarations. An examination of these declarations of a period of one month indicated that no more than one per cent of the export declarations were quoted in foreign currencies. So it was not thought worthwhile to make any adjustment on that score. Export values in 1961 and 1962 are given in table 6.

c. **Multiple Rates.** The problem confronted in the application of market exchange rates to imports is further complicated by the existence in Lebanon of two free exchange rates for most currencies: the "free" rate and the "arrai" account rate.

In the case of sterling, for instance, the free rate is the open market rate for the purchase of sterling from a special Lebanese account which could be used for sterling imports into Lebanon. The "arrai" account rate represents the price at which sterling from accounts of sterling area countries are sold to Lebanese importers, for purchases from the sterling area. These accounts can theoretically be used only between countries in the sterling area (e.g. between Jordan and Great Britain); their use by a non-sterling area country, like Lebanon, represents a leakage of sterling. This contravenes no laws in Lebanon, but does evade British financial regulations. No British exporter may accept sterling area accounts in payment for exports to a non-sterling area country. In usual cases, a Lebanese merchant acquires sterling area sterling from sources in, for example, Kuwait for purchases of goods from Great Britain, for delivery to Kuwait. However, when the goods arrive at the free zone in Beirut, they are "side tracked" and imported into Lebanon.

Sterling area account rates are slightly lower than the Lebanese account rates in the local market (e.g. in the middle of the two year period 1961 - L.L. 8.1 - Sterling free Account - was L.L. 8.05, whereas 8.1 - Lebanese Account - was L.L. 8.10). The difference of course accounts for the continued leakages from the sterling area account. The same discrepancy applies to the French franc where a Lebanese account and a France area account also exist.

All efforts to isolate the amounts involved in such account have met with failure, and must wait further study

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of the foreign-exchange market. For purposes of this study, the Lebanese account rates have been used for both the sterling and the French franc.

4. **The Timing Problem.** The problem of time lags between the payment for, and consequently the transfer of title to goods, and the date of actual importation introduces a serious difficulty in the computation of foreign trade returns. The resulting differences between time of payment and time of recording by the Customs vary with transportation distances, methods of trade (e.g. sale or consignment), and methods of payment (cash, instalment, and credit). The corollary problem is to determine the appropriate market exchange rate to apply to imports.

A survey was made of 31 large importers in Beirut. The sample chosen was based on the principal commodity imports according to value. The number of importers chosen from each commodity group for personal interviews closely approximated the relative value of each category of imports. In many cases, three relatively few large importers accounted for the major share of the imports of that category. Personal interviews were later made of one small importer in each category. The main questions asked related to the time interval between payment and the receipt of the goods.

The results of these interviews, plus conversations with members of various trade associations and banks, seem to indicate that no definite pattern exists in time and method of payment, especially since the end of World War II. Depending on the country, the type of merchandise, and the individual firm involved, time and method of payment ranged all the way from cash payment at the time of placing the order, to credit of up to one month after arrival of the goods. All that can be said is that, in a majority of cases, payment was made partly at time of order and partly at time of shipment. Moreover, payments seem to have been made earlier for goods originating from Great Britain and the USA, and for goods purchased by smaller firms. Credit has been more available for imports from Germany, Italy, and France, and for payments of large and long established firms. A close case has been that of Germany,

which has been extending credit facilities in order to re-capture some of its former trade with Middle Eastern countries.

It was decided that the market rate of exchange to be applied should be that ruling at the time the declaration was made by the importer. The use of any exchange rate ruling at a different period could not be justified on grounds of greater accuracy. Anyway, since merchandise trade is compiled on a quarterly basis, some of the timing discrepancies are cancelled out. Moreover, at a further stage of the tabulation, when conversions were made, it was found that use of an average annual market exchange rate and a quarterly one gave a difference in result of between 0.01 % to 0.02 %. Advancing or retarding the applicable monthly rates of exchange to the four quarters (e.g. using the average market exchange rate for December, January, and February instead of January, February, and March for the 1st quarter) gave an insignificant annual difference.

c. **Conversion Factors.** In the conversion from the official to the real value of imports, the following procedure has been adopted to :-

i) Daily open market quotations of the principal currencies have been recorded, and bi-weekly, monthly, and quarterly averages of each currency computed.

ii) A conversion factor has been calculated for each currency, based upon the average quarterly exchange rate and the official rate (cf. Table 7).

iii) The figures obtained from the Customs, once adjusted for better coverage (except for smuggling and other unrecorded transactions) as suggested in section 3 above, have been reclassified by currency areas and on a quarterly basis.

iv) The appropriate conversion factor has been applied to each class, thus giving the real value of imports (cf. Table 8).

5. There is another form of underevaluation for which adjustment must be made. Importers have a tendency to undervalue their Customs declarations in order to reduce their tariff

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payments. An attempt was made to assess the importance of this undervaluation from the Customs' contravention registers. However, it was noticed that detected cases of undervaluation were very infrequent (0.3 % of total contraventions) and that, when a case was detected, the amount of undervaluation was not stated. Mr. G. Hanssens suggests that all imports should be revalued 1 %, upwards to account for undervalued declarations[1], while with Customs officials and merchants, however, would indicate that such a revaluation would be excessive, especially if made on the basis of import prices recalculated at the open market rate of exchange. A 2 % revaluation would seem more appropriate, being L.L. 6.5 million in 1951 and L.L. 6.9 million in 1952.

Estimates of the undervaluation of exports are more difficult to assess by. It is reported that most exporters put fictitious values on their Customs declarations; this is often done at the request of the foreign importers in order to reduce their Customs payments. As an export duty is ever imposed, the responsible authorities do not seem to insist on export declarations and do not penalize fairly even even when detected. Informed guess-estimates of the degree of export undervaluation vary between 10 and 20 %. An average of 15 %, many not, therefore, be too excessive; this would mean an undervaluation of L.L. 15.6 million in 1951 and L.L. 13.3 million in 1952.

Conclusion: The Merchandise Trade Balance

The Customs trade figures show a trade deficit of L.L. 314.8 million in 1951 and L.L. 185.1 million in 1952, the imports and exports (including reexports) figures being, respectively, L.L. 535.7 million and L.L. 197.9 million in 1951 and L.L. 367.0 million and L.L. 181.9 million in 1952. However, when adjustment is made for coverage and valuation as explained in sections A & B above, the net merchandise trade deficit becomes L.L. 311.2 million in 1951 and L.L. 202.1 million in 1952, imports being L.L. 438.4 million and L.L. 434.2 million and exports L.L. 116.9 million and L.L. 125.1 million, respectively.

[1] G. Hanssens, Plan de Reconstruction de l'Economie Libanaise, Beirut 1948, Appendix 6.

NON-MONETARY GOLD MOVEMENTS

Following the general IMF concepts, non-monetary gold movements in here used to mean private gold imports and exports. Government (official) gold transactions and gold transit are treated separately.

Lebanon allows the free importation of gold, whether bullion or coins; but gold exportation is subject to licensing. In 1963-64 licenses were used very restrictively and covered only very small shipments of gold jewelry and ornaments to Saudi Arabia. There was a short-lived exception in the first two quarters of 1965, when the exportation of gold coins was authorized.

A good deal of the imported gold goes into the Government's official reserves, as currency backing, or is locally consumed in the making of jewelry and ornaments. It is estimated that an average of 30 kilograms is so consumed weekly (or about 1 ½ tons a year). The balance goes into private hoards. When possible, it is smuggled out of the country. Sometimes, as in 1965, when sales profits are high because of an expanded foreign demand or of large government purchases, there may even be net private dishoarding.

It has not been possible to determine accurately the quantity or value of private hoards; they are, however, known to be fairly large. As in other countries in the Near and Far East, gold is still in Lebanon the best alternative to land as the most popular medium in which savings are accumulated. Estimates of private hoards vary between 5 and 10 tons, to which should be added a large amount of gold jewelry. Such jewelry often consists of no more than gold coins mounted on, or connected with, a gold chain to a bracelet or neck piece.

A. Gold imports

Gold imports in Lebanon consist of gold bars and coins. Quantities and value records of these imports are kept at the Customs. The value of hoards, however, are extremely unreliable;

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as they are based on the importer's declaration and more often than not the value declared is fictitious. As gold imports are duty free, [illegible] Customs officials do not check carefully on these declarations. It has been necessary, therefore, to reassess the value of imports. This has been done by applying to the recorded quantities of imports the quarterly average gold prices in the open market.

Such a revaluation was easy for imported gold bars as their net weight could be closely determined by the Customs entries; their fineness, although not indicated in these entries, could be ascertained from that of similar bars usually handled in the Beirut gold market. The revaluation of gold coins, however, presented more serious difficulties. The Customs records do not indicate the various types of coins imported. It has been, therefore, impossible to ascertain their free market prices at the time of importation. Under the circumstances it was thought best to assume that all coins imported were gold sovereigns (King George) and to estimate their value on the basis of prices ruling in Beirut.*

Revalued Customs figures show imports of L.L. 37.6 million in 1951 and L.L. 33.7 million in 1952 (cf. Tables 14 & 15). To these should be added the gold that is smuggled in. This gold comes mainly from French Africa where gold exports are forbidden. To estimate the value of smuggled gold, we have been unable, as in the case of goods and securities contraband, of the Customs contraventions (See (c) pp. 69-72). These files show that L.L. 65,000 worth of smuggled gold was caught in 1951 and L.L. 30,000 in 1952. Both these figures express values calculated at the official rate of exchange; if adjusted to reflect free market quotations, they would be L.L. 111,000 and L.L. 60,000. Assuming, as before, that only one-fifth of all the import smuggling was actually detected, total gold smuggling would be about L.L. 300,000 in 1951 and and L.L. 300,000 in 1952, thus making overall gold imports L.L. 38.3 million in 1951 and L.L. 33.8 million in 1952.

In order to compute more accurately gold imports, the Government purchases must be deducted from the above figures. As no detailed information is available regarding these purchases, they have been assumed to be the same as the increase in the Government official reserves, i.e., L.L. 33.3 million in 1951 and L.L. 33.4 million

* This assumption is justified by the fact that the sovereign is the most readily accepted and commonly handled coin in the local open market.

in 1952.* These non-monetary gold imports were U.S. 14.5 mill. $57*
free in 1951 and U.S. 30.2 million in 1952. 45!
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B. Gold Exports

Except for the two first quarters of 1951 when the exportation of gold was authorized, no gold export is recorded at the Customs. A great deal of gold, however, is known to be smuggled out of the country. The total value of this traffic can only be inferred from the detected cases of contraband.

In 1951, as exportation was allowed during the first six months, smuggling was naturally restricted and the cases of detected contraband were consequently relatively few. The Customs files report seized quantities valued at U.S. 700,000 at the official rate, or U.S. 1.3 million at the free rate. Assuming again that only one-fifth of the traffic was detected, its total value would be about U.S. 6 million. To this should be added regular exports which are recorded at the Customs at U.S. 8 million (cf. Table III). This latter figure should be revalued to account for the undervaluation of export declarations. If adjusted to cover the same degree of undervaluation as for merchandise export (cf. p. 10), gold exports would be U.S. 9.2 million; and consequently total gold sales (including smuggling) would amount to U.S. 15.2 million in 1951.

In 1952, as no exports were licensed, smuggling expanded. This is indicated by the large increase in cases detected. Value of gold seized amounted to U.S. 3.3 million at the official rate, or U.S. 3.5 million at the free rate, i.e., more than double the cases detected in 1951. It is likely, however, that as the large quantities involved led to greater care by the smugglers, only one-tenth of the traffic was detected. Thus total traffic may well have been around U.S. 35 million.

C. "Net" Movement

In 1951, non-monetary gold imports were U.S. 14.5 million and foreign sales U.S. 15.2 million. As an additional 1 ½ tons of gold is normally consumed annually for industrial purposes (i.e. U.S. 7.5 million at the prices ruling in 1951) there was, therefore, a "net" disbursting of U.S. 8.4 million which came from private reserves. It should be remembered, however, that during the same

* International Financial Statistics, International Monetary Fund, Washington D.C., U.S.A.

period, official gold reserves increased by U.S. 28.9 million. There there was a "net" accumulation of gold of U.S. 15.5 million.

In 1933, there was a "net" inflow of non-monetary gold of U.S. 4.9 million, imports being U.S. 36.3 million, local consumption again 1 ½ tons, i.e., U.S. 4.9 million at the then ruling price and exports U.S. 35.0 million. The surplus served to swell private hoards. During the year, however, official reserves increased by U.S. 15.4 million only; thus total gold accumulation was U.S. 20 million, i.e., only U.S. 4.9 million more than in 1933.

FOREIGN TRAVEL

Foreign travel covers, on its credit side, all expenditure in [illegible] Lebanese of visitors whose permanent residence is outside Lebanon, and, on the debit side, expenditure abroad of travellers whose permanent residence is in Lebanon. Excluded are the passenger fares and payments made to ships and aircraft in international service.

In conformity with IMF procedure, and in order to insure comparability with other balance of payments studies, the concept of 'residence' has been preferred to that of 'nationality'. The latter is indeed less satisfactory for computation of travel expenditure since many migrants retain their original nationality although they have severed all economic ties with their homeland. The concept of 'residence' is based on the criterion of 'centre of interest'. Thus are considered 'residents' of Lebanon not only the Lebanese citizens who live there permanently but also all foreigners who are living in Lebanon and accumulating therein their earning activities and their investments. Similarly, Lebanese citizens living abroad (except diplomatic representatives, students and people undergoing medical treatment) are considered foreigners. Of course, the principle of 'centre of interest' must be elastic and any hard and fast rule would be quite arbitrary. For ordinary circumstances, however, a good test can be said to be the rule adopted in the United States that citizens going abroad for a longer period than twelve months are migrants. The same criterion has been used in this study. As a general rule, a stay of over one year in a country has been considered as constituting permanent 'residence'. Those in the questionnaire submitted to foreign agencies operating in Lebanon, whether government missions or international institutions, only the expenditure of those employed for more than one year has been requested to be included under Government transactions; expenditure of those who have been in Lebanon for less than a year has been counted as tourist expenditure.

In a few cases it was found necessary to depart from the concept of 'residence'. Such cases have been indicated in the appro-

[illegible] [illegible] [illegible] [

[illegible] 5.29
[illegible] 5.30

visitors coming from Arab countries *. Foreign visitors 5.29
naturally differ from the ordinary tourists who stay a 5.30
few days only in the country, and up out most of their
time to travel, with interest on the [illegible] all places to
Europeans or Americans. The citizens' stay, on the other
hand, ranges all the way from a week or two at a hotel
to three months in a rented villa. Citizen guests repeat
year after year, returning to the same places, abroad, as
a whom, like to a summer home.

5.31 Whilst it was possible to isolate the summer resort tourist 5.27*
[illegible] the remaining forms of foreign travel (except
expenditures for schools and hospitals) could not be
separately identified because the needed information
was not obtainable from the Government of Tourism
or the Hotel Controls. Thus the word "tourist" is
used in this study as a catchall for the various and other-
wise unenhanced foreign travel expenditures, with no
breakdowns as to travel for business, pleasure, etc.

5.32 In view of its importance, it was decided to undertake a sep-
arate independent survey of the citizen industry especially since
there was no reliable official data on which to base even an ap-
proximate estimate. Although the general study encompasses 1951
and 1952 only, it was felt that the survey should cover the 1953
summer months, and be made while the season was in progress.
In this way there would be as little reliance as possible on people's
memories; the data requested would be current and available,
and direct inquiries and, where needed, cross checking would be
possible. The 1953 results could then serve as a basis for extrap-
olating estimates for the two previous years.

For this purpose, two complementary surveys were con-
ducted, both beginning in June 1953 and continuing through the
succeeding five months. Permission for the surveys were obtained
from the ministries concerned, which also cooperated in the col-
lection of information. Most of the questionnaires or questions,
unless were sent out in the name of the Income Security commission

* The Government estimated 60 to 70 thousand citizens visited Europe during the summer of 1953. An unofficial source, 40 to 50 thousand, 70 to 80 thousand and 100 to 120 thousand. The citizens and the Government [illegible] 1.5 million to 2000 and 2.5 million in 1953. Another [illegible] 250,000 were also spent annually on outbound journeys, mostly to the Arab countries of Lebanon and Syria, and to Egypt and Iraq.

3.17 with the subject at hand. A list of the major economic reports was compiled, including 45 reports.

a. The first survey dealt with the expenditures of foreign advisers living in private rented houses. It was found that most municipalities did not keep adequate records of these officers. Whereas visitors to hotels were registered by the *Zimtel Gästehaus* in 32 forms asking for the nationality, permanent residence, intended stay, dates of arrival and departure, places of permanent and destination, no similar information was required from officers in private houses. It was decided, therefore, to interview the foreign visitors themselves. The officials who collected municipal dues were then asked to indicate all houses which they thought were occupied by foreigners. Since they had to rely on their memories and notebooks, it was found that the procedure was defective. At last, the services of the grocers were enrolled. They knew, more than any one else, which houses were occupied by non-Africans. For interviewing, about 30 A.C.S. students were used, who themselves were attending to the various resort towns. Many of them knew their locality quite well, and had intimate knowledge of, and maintained friendly relations with the persons contacted.

3.18 1957 On the basis of this survey, it was found that 475 foreign (non-resident) families, totalling 2825 persons, spent the summer in private houses in 1957; rentals varied in extremes from small two-room units, unfurnished and with a minimum of utilities, at about L.L. 400 per season, to large villas at L.L. 20,000. Total expenditures of these families were estimated at about L.L. 3.3 million (cf. Tables 17 and 18).

3.19 The second survey dealt with expenditures of foreign officers in hotels, inns and other public housing units. A total of 200 hotels were selected in the various resort towns, and questionnaires sent to them, requesting information for 1957*. Reminders to answer were also sent later on. However, although detailed written instructions were attached to the questionnaires, it was often found necessary to make additional oral explanations. This was made in frequent visits especially to the hotels known to cater especially to

* The questionnaire form is appended (Appendix A).

foreign visitors. These visits also served for gathering information concerning the visitors' expenses outside the hotels, i.e., local transportation, entertainment, gifts etc.[1] Actually only 101 hotels answered the questionnaire. This, however, represents a fairly good portion of total business as 80 to 90% of the hotels in the main summer resorts responded. Those which did not answer were mainly in the northern districts and in the relatively less important centers of Emirates. The results obtained from the returned forms have been raised proportionately to cover all hotels. On the basis of these figures and of the personal interviews, the number of visitors to hotels in 1959 was estimated at 19,455, their total expenditure being L.L. 3.8 million (cf. Table 19).

From (a) and (b), it can be seen that the total number of foreign visitors in 1959 was about 19,240 and that total expenditures of these visitors were L.L. 9.3 million, i.e., about L.L. 500 per person.[2] On the basis of the Commissariat of Tourism's estimate of the number of foreign visitors in 1951 and 1952 (respectively, 36,000 and 33,287) and assuming the same level of expenditure as in 1959, an extension of the figures obtained for 1959 would show total earnings from foreign exchange of L.L. 13.2 million in 1951 and L.L. 12.0 million in 1952. From these figures should be deducted L.L. 1.9 million and L.L. 1.5 million respectively which represent the part of the visitors' travel expenses reimbursed by the Government (cf. footnote, p. 33). Thus net earnings from visitors' spending stood at L.L. 11.3 million in 1951 and L.L. 9.5 million in 1952.

(3) **Schools.** From a compilation of educational institutions in Lebanon, a list of 25 universities and schools which were known to have foreign (non-resident) students was drawn

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[1] The hotel managers were usually very useful in the collection of such information. Some of them agreed that they could estimate their clients' expenses outside the hotel as very often they knew how much money their clients had, what transportation exchanges or the hotel desk were among their hotel accounts.

[2] According to the Commissariat of Tourism, the number of visitors in 1959 was 19,240; the discrepancy between this figure and that arrived at in the above manner is probably due to the fact that the former covers only the travellers who arrived in the country between July 1 and October 31 whereas the latter comprises those who came to Lebanon during that three-month period; some of these may have arrived in June. Moreover, there was certainly some double counting in the survey figures, as some travellers may have stayed at more than one hotel and as some attended more than once.

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up. This eliminated practically all the primary schools outside Beirut and Tripoli. Questionnaires were sent to a few of the selected institutions;[1] but in the majority of cases enumerators were sent to do the actual compilation from the school records since the concept of permanent residence appeared to create a difficult problem for the staff of the institutions.

The answers received were fairly satisfactory. In most cases, it was easy for the school authorities to give an accurate estimate of their students' expenditures as they had themselves, in consultation with the parents, fixed their pupils' money needs. A problem arose, however, from the fact that students' expenditures are usually calculated on the basis of an academic year, i.e., from October through June. To meet this problem it has been decided to treat expenditures during 1951-52 as for 1951, and those for 1952-53 as for 1952. In the first place, it is often the case that parents pay to the school, at the beginning of the academic year, all tuition and other expenses of their children for the whole year in advance. In the second place, there has been little variation from year to year in foreign enrollment. Any other method of re-allocating expenses, say by month or semester, would have been no less subject to errors.

Based on the answers to the questionnaires, the total number of foreign (non-resident) students has been estimated at 2,172 in 1951-52 and at 2,400 in 1952-53. Students' expenditures during these periods were L.L. 4.2 million and L.L. 4.6 million respectively (cf. Table 20).

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(2) Hospitals. Questionnaires were sent out to 52 hospitals requesting information on foreign (non-resident) patients.[2] These questionnaires were all followed up by personal interviews with the hospital authorities. Satisfactory answers were received from 45 hospitals. The only problem was that in most cases the hospital records did not permit the identification of foreign out-patients, i.e., those who came for treatment, but did not stay at the hospital. On this matter, the records do not distinguish between "residents"

1 Cf. Appendix II.

2 Cf. Appendix III

and "non-residents". Nothing could be done to correct this omission. On the basis of answers received, earnings of hospitals from foreign in-patients were estimated at LL. 1.3 million in 1951 and LL. 1.4 million in 1952 (cf. Table 22).

(4) **Tourism.** As noted above, this term is here used as a catch-all for all remaining forms of foreign travel.

To estimate earnings under this heading, a questionnaire was sent in the name of the Commissariat of Tourism to the main hotels in Beirut, similar to that sent to the summer resort hotels[1]. Beirut alone was covered, as virtually all arrivals into and departures from Lebanon are via Beirut. The questionnaire tries to ascertain the number of tourists, including businessmen etc., and their length of stay in the country. The information requested was for 1952 from which it was hoped to infer estimates for 1951. Of the 32 hotels that were approached, all but one answered; follow-ups were then made to try to ascertain from the managers their clients' expenditures outside the hotel[2]. On the basis of the answers received and of the follow-ups, 79,375 tourists are estimated to have visited the reporting hotels in 1952, their total expenditures being at LL. 11.1 million (cf. Table 22). According to the Commissariat of Tourism, the total number of tourists (excluding *estivants*) in 1952 was over 216,000. An extension of the figure obtained in the survey to cover all tourists would give total expenditures in that year of LL. 30.2 million. Moreover, assuming the same level of expenditures in 1951, the reported 127,000 tourists in that year would have spent LL. 17.8 million.

To these estimates should be added the expenditures of tourists in transit, i.e., those who spend less than 72 hours in the country, en route to their final destination. Their number was 82,060 in 1951 and 102,701 in 1952. On the assumption that they spent on local transportation, food, gifts, etc., on the average LL. 20 per person during their whole stay (the average is probably 24 hours) their total expenditure would have been LL. 1.6 million in 1951 and LL. 2.1 million in 1952, thus making overall tourist expenditures LL. 19.4 million in 1951 and LL. 32.3 million in 1952.

1 Cf. Appendix I.

2 Cf. footnote (1) on page 25.

On the basis of the above, total earnings from foreign travel (i.e. summer resort, schools, hospitals and tourism) can be estimated, therefore, at L.L. 35.0 million in 1951 and L.L. 47.5 million in 1952.

B. Expenditure on foreign travel

There is no information at all about Lebanese travellers who go abroad for business, pleasure, study or health reasons, nor about their total expenditures. An attempt was made to arrive at rough estimates by interviewing returning travellers upon their disembarkation in Beirut, about their expenditures while abroad [1]. The results achieved were unsatisfactory as few of the people approached responded well and as the period covered was very short (less than 3 months) and could not be taken as representative. However, under present conditions direct interviews are the only possible ways of obtaining information and should be relied upon in the future. Returns would be greatly improved if the interviews are generalized, systematized and extended over a whole year period.

In the meantime, it was decided to try to estimate expenditures from the data on departures and arrivals of Lebanese travellers. Such data is available quarterly (cf. Table 20). It was assumed that the number of Lebanese persons abroad at the beginning of 1951 was x; then the number at the end of the first quarter of the same year was $x + D1 - A1$, where D1 denotes the departures and A1 the arrivals; thus the average number of persons abroad during the quarter was the average between the two numbers at the beginning and at the end of the quarter, namely $\frac{2x + D1 - A1}{2}$ or $x + \frac{D1 - A1}{2}$. If the same argument were followed for the succeeding quarters, the fourth quarter would have an average of $x + \frac{2D1 + 2D2 + 2D3 + D4 - (2A1 + 2A2 + 2A3 + A4)}{2}$

and the fourth quarter of the second year

$$x + \frac{2D1 + 2D2 \ldots + 2D7 + D8 - (2A1 + 2A2 \ldots + A8)}{2}$$

For each of these quarters, the number of man days spent abroad would be the average given above multiplied by 91 (one-fourth of a year). Thus the total man days spent abroad would be the sum of all the averages given above multiplied into 91; this sum can

[1] See Appendix IV for the type of questions asked.

be presented symbolically in the following form:

$$\sum_{1}^{5} (\text{fa} + \text{fb} + \text{fc} \ldots + 0.5)\,\text{De} \ldots - \sum_{1}^{5} (\text{fa} + \text{fb} + \text{fc} \ldots + 0.5)\,\text{Ad} \quad \ldots\ldots\ldots\

TRANSPORTATION AND INSURANCE

'457: Transportation--

This includes freight charges, passenger fares and port services.

[See 304]

(1) Freight: Lebanon has virtually no merchant fleet and, therefore, practically no income from sea freight. It has two airlines which handle both passengers and freight, but income from the latter could not be ascertained; however, as it is known to be relatively small, it could be disregarded without serious effect.

Payments for freight have already been accounted for in the import estimates which are given CIF (cf. p. 11-12).

(2) Passenger fares:

a. The debit side of this item includes what "residents" in Lebanon pay for foreign carriers engaged in international transportation, whether by sea, air or land. Unfortunately available figures of arrivals into, and departures from Lebanon cover only Lebanese nationals travelling by air and sea, and it has been impossible to correct these figures to include all residents as well as travellers by land (cf. Table 22).

As the published government figures lump together all sea and air travellers going through Beirut, it has been necessary to go back to the original abstracts to obtain the necessary breakdowns as to the countries of origin and destination and as to the mode of travel (i.e., whether by air or sea). Moreover as the abstract grouped under "other countries" a considerable number of travellers, it was necessary to make a sample study of the individual records from which the abstracts are compiled to arrive at a rough breakdown of these "other countries".

The figures thus obtained did not show, of course, the type of accommodation used, i.e., whether the travel was made by first, second or tourist class. Had the survey on returning travellers been completed (cf. p. 28), it would have been possible to use the results obtained as a basis for grouping the passengers into "classes". Under the circumstances the best alternative was to interview re-[illegible] about the accommodation normally booked by their customers. From these interviews it has been possible to establish the following rough pattern:

i) Lebanese emigrants, because of their usually limited resources, travel tourist class. They normally book a "through-fare" which includes food, transportation and stop-overs on the way.

ii) Businessmen and tourists in general travel first class to Europe, but second class and sometimes third class to further destinations.

iii) Students usually travel either second or tourist class.

Based on the above pattern, three subdivisions have been prepared, one applying to emigrants, another to travellers to Europe and a third to all other travellers. The appropriate fares were then applied to the given number of travellers in each category; this indicated total expenditures on passenger fares of L.L. 4.5 million in both 1951 and 1952 (cf. Table 34).

The same procedure was followed with regard to travellers by air. However, as the totals obtained (L.L. 4.4 million in 1951 and L.L. 4.3 million in 1952) included payments made to the two Lebanese airlines, they had to be properly corrected. With that in view, the Lebanese airlines were requested to supply, inter alia, information on the number of Lebanese nationals who travelled on their lines[1]. Only one of these companies answered, and for want of a better estimate, it has been

[1] Since the criterion of nationality rather than that of residence was taken as a basis, as it would have been impossible for the airlines to differentiate between foreign residents and foreign non-residents.

[illegible] assumed that the other two entered for an equal traffic. This gives net payments to Lebanese carriers of L.L. 3.7 million in 1951 and L.L. 3.0 million in 1952, which have been deducted from the above air passenger fare payments. These fare items (net) L.L. 0.7 million in 1951 and L.L. 3 million in 1952, making total fare payments L.L. 9.3 million in 1951 and L.L. 8.0 million in 1952.

These figures do not include of course payments for land transport to foreign-owned (especially Syrian). These payments, however, are known to be small and would anyway be offset by payments of "non-residents" for use of Lebanese cars.

b. The credit side of passenger fares covers what "non-residents" pay to Lebanese carriers engaged in international transportation. As pointed out above, this includes part from the fares paid by non-residents for use of Lebanese cars, which it has been decided to disregard, payments to the two national airlines. These payments have been computed by multiplying the number of foreign travellers[1] using lines (not the exported by the [illegible] (nonresidents) by an average fare. This fare has been arrived at by averaging the fares from Beirut to the eight terminals in the neighbouring countries which are served by the two airlines.[2] Again, as only one company has reported, the other has been assumed to have had the same earnings. Total receipts from passenger fares have thus been estimated at L.L. 6.3 million in 1951 and L.L. 6.3 million in 1952.

(3) Port [illegible]. This item covers the expenditures of foreign ships and planes in the Lebanese ports and airfields. The disbursements of ships are normally in respect of pilotage, port and lighthouse dues, provisions, water, stevedoring, agency fees, overtime payments, and the like. Repairs are relatively unimportant. Planes incur similar expenditures on handling, catering for passengers, transport, fueling, repairs, cables, landing fees and related expenses, overflow charges and agency fees.

1 [illegible] on page 35.

2 The figure worked out to be L.L. 200 per person.

Port earnings can thus be much better and more easily assessed from the disbursement item from the income side. Consequently all shipping agencies were requested to provide information on the selling expenses which the firm they represented had incurred in the Beirut harbour. The response was unsatisfactory; only a few did not answer, but their relative importance could be easily ascertained from a comparison between the returns of the agencies that responded and the detailed statistics on the movement of ships published by the Beirut Port Co. On the basis of these returns, total ship expenditures have been estimated at L.L. 2.6 million in 1951 and L.L. 3.0 million in 1952 (cf. Table IX).

These figures do not include the expenditures of the various visiting foreign navies which buy independently through a private concern (The Salbagi Brothers). The estimate of these expenditures could be obtained from this concern; it is believed, however, that the amount involved is not more than L.L. 1 million annually.

For airplanes, the respective agents have been requested to provide the same information as shipping agencies. However, most of them declined to cooperate. Of the few who were received no reliable estimate could be made especially since the Directorate of Civil Aviation unlike the Port Company, does not have detailed statistics on the movement of airlines. Under the circumstances, there was no alternative but to accept the estimates of informed people who claimed that earnings from airplane expenditures (including refueling) were about L.L. 2 million in 1951 and L.L. 3 million in 1952; these figures are net of similar expenditures abroad of the two Lebanese airlines.

Total earnings from transportation were, therefore, L.L. 12.3 million in 1951 and L.L. 20.3 million in 1952, against expenditures of L.L. 9.3 million and L.L. 8.30 million.

B. Insurance

Insurance transactions may be divided into three categories: (1) insurance on account of international trade, (2) life assurance, and (3) other kinds of insurance, including re-insurance.

(1) **Insurance on account of international trade.**

As has been indicated in the section on merchandise trade

[illegible] (pp. 11-12) imports into Lebanon are valued CIF, and therefore, no extra additional entry should have be made for import insurance. However, a small adjustment should be made to account for the proportion of imports insured with local firms. Normally, such an adjustment should have taken the form of a deduction from the CIF value of imports, since an import insurance with a local firm represents payment from one resident to another. However, it has been thought more meaningful to show it separately as a credit under insurance. As no information is available regarding such insurance in 1951 and 1952 it has been assumed to have been the same as in 1953 when it amounted to L.L. 0.3 million.

[illegible] On the export side, only 40 % of the goods shipped abroad are insured with local firms. On the assumption that the insurance premia on commercial exports are normally calculated at 0.9 % of the value of the goods, receipts from export insurance was L.L. 0.33 million in 1951 and L.L. 0.33 million in 1953.

(3) Life insurance: Life insurance in Lebanon is carried by, or on behalf of, foreign companies. Net movement of life insurance funds are, therefore, difficult to ascertain; however, as they are relatively small, they can be disregarded without serious damage to the final results.

(4) Other insurance transactions: Other kinds of insurance in Lebanon are mainly in competition with motor and fire insurance. These risks are usually reinsured with foreign firms, so that in effect insurance companies in Lebanon act in these respects as insurance brokers. It is estimated that the total amount of re-insurance less commission earned by the local firms amounted to L.L. 0.37 million in 1953. As no figures are available for earlier years, earnings in these years are estimated to have been the same as in 1953.

Total earnings from insurance (including the L.L. 0.3 million on import insurance) was therefore L.L. 0.99 million in 1951 and L.L. 0.96 million in 1953.

INVESTMENT INCOME

[illegible] Investment income includes, on its debit side, the yearly earnings that are transferred abroad, of foreign businesses established in Lebanon. According to present legislation, these businesses, whether they constitute independent companies or are branches of foreign concerns, have to submit to the Ministry of Finance a yearly balance sheet of their activities in Lebanon for income tax purposes. From these balance sheets, it has been possible to determine these businesses' net distributed profits in 1951 and 1952, namely L.L. 11.8 million and L.L. 9.2 million respectively. There is no doubt that these figures, like all estimates based on tax returns, are underestimated. No attempt has been made to adjust them, however, on the basis that the underevaluation is probably offset by that part of the profits which is not transferred abroad but is distributed locally to resident shareholders.

[illegible] 2. Income from Lebanese investments abroad may be divided into the four categories:

(a) Many residents in Lebanon hold large portfolios of foreign (mainly French, but also Egyptian and British) securities. As there is no exchange control and, therefore, no compulsory recording of these portfolios, any estimate of their importance or value cannot be more than a pure guess. However, as some of the holders of these securities have formed an association to defend their common interests, particularly with regard to double taxation, it has been possible to interview them regarding their own estimates of both the total value of securities held and dividends earned. Estimates of the former varied between L.L. 10 and L.L. 25 million; but the dividends were in most cases reported to be about 5 per cent net. On the basis of these figures, the average yearly earnings from foreign portfolios would be about L.L. 1 million.

(b) A few Lebanese nationals own also large tracts of land abroad, especially in Syria and Egypt. Here again no exact

[illegible] information is available regarding annual returns, but as the number of owners concerned is relatively small, personal interviews have been possible. Income from landed property abroad is reported to have been exceptionally large in 1956 and 1957 mainly because of the high prices of cotton and wheat in that period. Annual returns of L.L. 3.5 million in 1961 and L.L. 3 million in 1962 are not improbable.

(c) To the above two types of income should be added the interest earned on the private balances held abroad, mainly in France and the United States. Balances in other countries are small and can be disregarded. Private balances in the United States at the end of 1960 were $ 65.34 million and in France the equivalent of $ 13.09 million; at the end of 1962, respective figures were $ 69.38 million and $ 65.98 million.* A few banks were asked about the interest earned on these accounts and a 3 per cent average estimate was arrived at. Annual earnings were, therefore, about L.L. 3.1 million in 1961 and L.L. 3.3 million in 1962. The conversion into Lebanese pounds has been made at the rates ruling at year ends, i.e., L.L. 3.0 per dollar in 1961, and L.L. 3.07 per dollar in 1962.

(d) Finally should be mentioned the earnings of Lebanese businessmen abroad, especially in Syria and the other Arab countries. Earnings in Syria, in the last few years, have been on the decline as the Syrian decree No. 161 is making it extremely difficult for foreigners (including Lebanese) to work in that country. However, annual returns from businessmen abroad may still be around L.L. 10 million. Moreover, a great development may occur in that line in the near future, where the relatively recent investments made in the Arabian Peninsula and Iraq start bearing fruit.

Taken together, the above estimates would indicate total incomes from foreign investments of L.L. 15.6 million in 1961 and L.L. 16.3 million in 1962.

* International Financial Statistics, International Monetary Fund, Washington, D.C. U.S.A.

GOVERNMENT TRANSACTIONS

The section covers service transactions of the Lebanese Government and of other governments and international agencies in Lebanon, not already mentioned either under merchandise trade, foreign travel or transportation. Specifically are included as a debit the Lebanese Government's expenditures abroad on diplomatic and consular representations, its contributions to international institutions, its scholarships to Lebanese students abroad, and its foreign debt payments; on the credit side, are listed the receipts from government credits abroad, consular receipts, royalties paid by concessionaires, local expenditures of international agencies, and the diplomatic, consular and cultural expenditures of foreign governments in Lebanon. In the latter, however, are not included those governments' donations for economic or technical assistance as these constitute technically "transfers", i.e., are transactions for which there is no quid pro quo whatever (cf. p. 46).

1. Debits

(a) The Lebanese Government's diplomatic and consular expenditures abroad are [illegible] mentioned from the final budget accounts; they are stated at L.L. 1.7 million in 1951 and L.L. 1.8 million (including payments made on the previous year's account) in 1952. These figures include Lebanon's annual financial contributions to international agencies. These contributions are so small that it has not been thought worthwhile to list the items.

(b) Government scholarships to Lebanese students abroad, together with small educational grants, totalled L.L. 0.6 million in both 1951 and 1952. These include appropriations from the ministries of National Education and Agriculture and from the Directorate of Civil Aviation.

(c) In 1951, Lebanese licensees of the licensees in the official, oil and dollar reserves had to continue payment on the con-

[illegible] section transfer (i.e., [illegible] of the quota) of its subscription to the capital of the International Monetary Fund. For this purpose it had to repurchase from the Fund Lebanese currency for $10.00 million, or L.L. 3.3 million at the 1951 rate of exchange. As this transaction brought Lebanon's gold and dollar contribution to the required proportion of its quota, no further repurchases were necessary in 1952.

(c) In 1951 and 1952, the Lebanese Government made yearly payments of L.L. 3.3 million to France in part settlement of a debt of L.L. 10.0 million which arose in 1946 as a result of the transfer to Lebanon of French property located on its territory. An annual instalment of L.L. 0.7 million was also owed to the British Government in payment for the Tripoli-Lebanon Railroad. Total foreign debt payments were then L.L. 4.0 million a year.

(d) Total debts under government guarantee were, therefore, L.L. 0.0 million in 1951 and L.L. 0.0 million in 1952.

3. Credits

(a) When, as a result of the separation of the Lebanese currency from the Syrian in 1948, each country withdrew the other country's currency in circulation on its territory, Lebanon was left with a balance of L.L. 40.0 million. The Syrian Government agreed in 1952 to settle this balance in five equal semi-annual instalments. The first one (L.L. 8.0) was paid in October of that year. The Lebanese Government has no other credits abroad.

(b) Lebanon's consular receipts (i.e. income from fees, taxes and other dues charged by its consulates abroad) amounted to L.L. 0.0 million in 1951 and L.L. 0.0 million in 1952 and are so recorded in the final budget accounts.

(c) The same accounts show that total royalties paid by foreign concessionaires (mainly oil) were L.L. 1.2 million in 1951 and L.L. 7.3 million in 1952. Other local expenses of these companies, for current operations, maintenance or expansion, are shown separately (cf. pp. 44-45).

(d) Expenditures of foreign diplomatic missions in Lebanon are difficult to estimate, as no information on the subject is released either by the Lebanese Government or by the

ministers themselves. To obtain the needed information, the major embassies and legations in Beirut were privately approached and requested to give global figures, and breakdowns if possible, of their expenditures in the country. On the basis of the figures obtained, it has been possible to estimate these expenditures at U.S. $.3 million in 1950 and U.S. $3.3 million in 1955. These figures include diplomatic, consular and cultural expenditures, and of consular receipts. As pointed out above, they do not include direct donations for economic or technical assistance; however, the salaries paid by the foreign missions for their own technicians employed under an assistance programme have been included.

(e) The exact amounts spent locally by the various United Nations bodies (UNRWA, ILO, WHO and other specialized agencies) whether on local representation or on actual field works, are not available. A rough estimate of these amounts can be arrived at from the sums assigned to Lebanon under the expanded assistance programmes. In 1953 and 1955, the sums designated for local projects did not exceed $ 250,000 a year. As it is known that only a part of the designated sums was actually spent, it is reasonable to assume that total, including administrative and representation expenditures of all international agencies (including UNRWA) in each of the above two years were about U.S. $.5 million.

(f) In view of its particular importance, a special effort was made to evaluate the expenditure of UNRWA, the international agency set up to assist the 200,000 - odd Palestinian refugees in Lebanon. Estimates were requested from the Beirut Headquarters of:

i) Salaries and allowances paid to foreign and local personnel (excluding that part of the foreign personnel's salaries that is not spent locally);

ii) Local purchases of Lebanese and foreign goods whether for consumption in Lebanon or for export to other host countries.

iii) Movement of UNRWA goods in transit through Lebanon, when the goods are ordered through Lebanese intermediaries (with a view of determining the profits accruing to these intermediaries from such trade). UNRWA

[illegible] was most cooperative and supplied all the requested information, stressing the point, however, that some of the figures were rough estimates.* On the basis of these figures and assuming that [illegible] a constant rate of growth of [illegible], total land expenditures are estimated at $ [illegible] million in 1961 and $ [illegible] million in 1962, or U.S. [illegible] million and U.S. [illegible] million respectively at the then prevailing rates of exchange. The sizeable decline that occurred in 1962 is probably attributable to larger direct imports and larger purchases in other land countries, and consequently smaller purchases in Lebanon, in that year than in 1961. Of course, direct imports by [illegible] have not been included in the above estimates, as they do not constitute a drain on the country's resources and have not been accounted for in the general import trade statistics [cf. p. 7 & p. 9].

** Total credits under government transactions were therefore U.L. 76.5 million in 1961 and U.L. 72.5 million in 1962.

* Technically it would have been preferable to base the estimates on the basis of the valuation of the freight of their way to Lebanon [cf. page 21] and, consequently to base [illegible] direct estimates on these on a calculated transfer that would appear under "Services"; only salaries and allowances paid in foreign and local personnel would have then been recorded as government expenditures. However, apart from the technical difficulties of effecting such a division, the separation between direct estimates and other expenditures would naturally distort the global picture of [illegible] contribution to the country's balance of payments position. The grouping together of the various types of this contribution undoubtedly gives a clearer view of the whole situation.

MISCELLANEOUS SERVICES

Under this heading have been grouped several heterogeneous items which could not be included elsewhere, namely the earnings from transit and entrepot trade, and from exchange operations, the local expenditures of foreign companies whose "centre of interest" is abroad, and other sundry receipts. "117"

1. Transit and Entrepot

There are two possible ways of accounting for transit and entrepot transactions. The first consists of recording these transactions on a gross basis, the proceeds of sales in foreign countries of commodities bought abroad being entered as a credit and the cost of acquiring these commodities as a debit, i.e., respectively as exports and imports although the goods do not enter into the economy of the country. The alternative procedure would be to record only the profit on these transactions as a payment for a service rendered to foreigners. This latter procedure has been preferred as it helps to focus attention on the direct impact of transit and entrepot trade on the economy in general, and the balance of payments in particular. Of course, this procedure would have been impossible had not "transit in" been roughly equal to "transit out". In other words, as long as no large stocks are carried over from year to year, the question of temporary investment in goods, in the form of imports, does not arise.

The Customs records show total "transit in" of L.L. 1,187.6 million in 1961 and L.L. 1,086.1 in 1962, with equal values for "transit out". From these figures should be deducted the values of crude oil passing through the IPC and Tapline pipelines from which no direct profit accrues to Lebanon, apart from the royalties paid to the Lebanese government and which have already been accounted for. The values of crude oil in transit were L.L. 488.1 million in 1961 and L.L. 471.3 million in 1962; thus other transit transactions were L.L. 677.7 million and L.L. 587.6 million respectively.

These figures do not include goods that enter the free zone, nor ordinary reexports, and must, therefore, be readjusted. Recon-

§67 [illegible] goods are relatively not very large, especially when are excluded the operations made with a refund of export duty, these operations being considered as export gel. p. 8). These adjustments, exports were U.S. 6.0 million in 1957 and U.S. 23.0 million in 1958 (cf. Table 3). The value of goods that enter the free zone in larger cities to replenish stocks are insignificant in comparison with the volume involved. The best guess estimate that was arrived at after talks with port authorities and Customs officials is that traffic through the free zone in the two years 1957 and 1958 was probably one-fourth of ordinary transit (plus exports, i.e., U.S. 171.3 million and U.S. 147.3 million respectively, thus making total transit and entrepot trade U.S. 726.8 in 1957 and U.S. 726.3 million in 1958.

A further adjustment is needed to account for the undervaluation resulting from the recording of transactions at the Customs at the official rate. As in the case of imports (cf. pp. 11-12), such recording greatly underestimates the value of the traffic involved since all the exchange needed for the transactions is acquired in the free market at rates well above official parities. For the required adjustments, however, it was not thought advisable to go into a detailed recalculation similar to the one made for the evaluation of imports. The large margin of error involved in the coverage adjustment of the preceding paragraph makes such a time-consuming method really unnecessary. An alternative method is to assume that all foreign transactions used in transit and entrepot trade were acquired in the free market at the same premia as the dollar. Then a multiplication of the Customs figures by the ratio of the average free rate of the dollar to its official rate would give the real market value of the goods handled. Thus calculated the value would be U.S. 1304.8 million in 1957 and U.S. 1295.1 million in 1958.

A large part of this traffic consisted of gold. Inward Customs figures to account for coverage and undervaluation show gold transit of U.S. 742.3 million in 1957 and U.S. 485.4 million in 1958.[1] Gross profit on gold transit in these two years is reported by gold dealers to have varied between 25 and 40 %, especially because of the large discrepancies in prices between the markets of Western Europe and the Far East. Net profits, however, were

1 The figures given in Tables 33 to 37 have been increased by 25 % to account for free zone traffic; the total was then multiplied by the ratio of the free dollar rate to the official rate in order to reflect real values.

[illegible]

probably not higher than 10 %, because of the many foreign banks [illegible] 937
institutions used. On the basis of the latter percentage, profits on gold transactions, therefore, L.L. 18.2 million in 1962 and L.L. 45.5 million in 1965.

The percentage of net profits from merchandise transit and entrepôt is estimated to have been equal roughly to the average market discount rate, i.e., 6.0 % in 1962 and 5.65 % in 1965. Over the years, therefore, respectively L.L. 36.5 million and L.L. 45.5 million.

These total profits from transit and entrepôt trade (including such receipts as taxes, port dues and transportation charges which have already been accounted for elsewhere) were L.L. 115.1 million in 1962 and L.L. 154.4 million in 1965.

3. Exchange Operations

Beirut is now considered one of the world's largest free exchange markets, serving not only Lebanon and its immediate neighbours but also Western Europe and the Far East. No data at all is available on the volume of exchange transactions carried on annually, but estimates by informed bankers range from L.L. 1200 million to L.L. 3000 million. These estimates, which are probably on more than the roughest of guesses, are based on the belief that in addition to the purely business of payments transfers on account of both receipts and disbursements which total on the average about L.L. 1000 million annually, there is a roughly equal volume of exchange transactions carried on for or on behalf of foreign merchants, bankers or exchange dealers.

Exchange operations covering balances of payments transactions should not be here considered, as the profits arising from such operations have already been included under the appropriate items, i.e., purchases of exchanges for import under trade, sale of Lebanese currency to foreign tourists under travel, etc. Only the profits on transactions made for or on behalf of foreign operators still have to be accounted for. Assuming an average net profit of 1 % on these operations, and assuming as stated above that the volume of these operations is one year equals the volume of balances of payments operations in the same year (i.e., roughly L.L. 1000 million in 1962 and L.L. 1150 million in 1965), total profits would have been L.L. 10.0 million in 1962 and L.L. 11.5 million in 1965.

5. [illegible]

*917 Under this heading are included only the local disbursements of foreign companies operating in Lebanon whose 'center of interest' is abroad. These disbursements cover all expenditures for operations (salaries, rents, taxes etc.) maintenance and expansion, net of the royalties, if any, paid to the government. These royalties have already been accounted for (cf. p. 38).

[illegible] The Iraq Petroleum Company (IPC) and Tapline are the two main companies involved. Both are noncommercial and run pipelines through the Lebanese territory to the Mediterranean. It has been impossible to obtain information from either of them regarding their local expenditures. However, it is known that IPC has been importing very little capital for its operations in Lebanon. Most of its local currency needs have been covered by local sales of oil from its Tripoli Refinery. These sales are considered imports into Lebanon and are recorded as such at the Customs; they totalled L.L. 93.1 million in 1951 and L.L. 9.3 million in 1952 (cf. Table 6). In the absence of better estimates, these figures have been taken as representing IPC's total local expenditures.

Tapline is reported to have contributed directly or indirectly to the Lebanese economy, about L.L. 17.6 million in 1952; of these L.L. 4.3 million represented salaries and wages of Lebanese employees; the balance served to pay the part of the foreign personnel's salary needed for expenses in Lebanon, other operational and maintenance expenditures and royalties to the government. If the latter were excluded, other local expenditures of the company would be about L.L. 14 million. The same amount can be assumed for 1953.

It has not been possible to estimate even approximately the expenditures of the other similar, but relatively less important companies, such as Radio Orient.

6. Other Items

a. On p. 8 it was said that most foreign films enter the country on a rental basis; an attempt was made by interviews to discover with local distributors and cinema owners total rents paid. The attempt had to be given up for lack of cooperation. It was, therefore, decided to disregard this item, and to assume that it is offset by the local expendi-

8:Fei and Klat S-4 (1951-52)1954 MEI Lebanon MEI

ture of the foreign companies, referred to in the last paragraph, which it has been impossible to estimate. 457[illegible]

b. A final item to be mentioned is the local expenditure of foreign (mainly U.S.) seamen. Several war fleets have visited Lebanon in 1951 and 1952, spending 3 to 4 days on each visit. Estimates obtained from the Embassies concerned reveal that over 8,000 men (including officers and crew) got shore leaves during these visits. The U.S. seamen alone (about 7/8th of the total) are reported to have spent $ 278,625 in 1951 and $ 268,750 in 1952. Assuming the same rate of expenditure for other foreign seamen, total disbursements were probably about LL. 1.1 million in 1951 and LL. 1.3 million in 1952.

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DONATIONS

457 To confirm with the IMF suggested classification, donations have been treated as a separate type of international transactions. This may be justified on the ground that if donations are to be considered a current (as opposed to a capital) account item, they must be distinguished from ordinary "goods and services". In fact, donations may be defined as unilateral transfers or, in other words, transactions for which there is no *quid pro quo* whatever. They would include such items as emigrants' remittances, private donations to schools and hospitals and foreign government grants. The distinction between "donations" and "goods and services" has given rise to an apparent difficulty in the classification of transfers of interest and dividends. It is sometimes claimed that since these transfers do not represent payments for services passing simultaneously in the opposite direction, they should, under the suggested terminology, be entered under "donations". Such a claim is of course untenable, since payments of interest and dividends may be considered, at least theoretically, as payments for an immediate service, the service of waiting. On this basis, such payments should appear, and have thus been entered, under investment income (pp. 35-36).

1. Emigrants' Remittances

In the absence of adequate banking statistics, it has been impossible to arrive at direct estimates of emigrants' remittances; nor could existing private estimates be relied upon as most of them are no more than mere guesses. Several methods of indirect approach were, however, possible; they have all been tried for the purpose of throwing light on the issue at hand, and of exploring the alternative types of studies which might be carried out in the future, should more exact and detailed information be required.

1. Firstly, an attempt was made to estimate remittances from the remitters' side. This attempt had, however, to be given up as very little information is at present available on the remitters. Lebanese emigrants live practically all over

the world, in very scattered places. Their number is reportedly larger than that of Lebanese nationals still in the homeland. The little information that is available at the Ministry of Foreign Affairs pertains only to those emigrants who have retained their Lebanese nationality or who are known to the Lebanese consulates abroad. 457[1]

2. Secondly, the method of estimation of remittances followed by the Ministry of Foreign Affairs was studied for an appraisal of existing estimates. These estimates are arrived at by multiplying a given percentage of all registered mail coming into the country (which is assumed to represent the mail containing emigrants' checks) by the value of an assumedly 'average' check. The margin of possible error of such a method is obviously considerable. On the one hand, there is no way of knowing even approximately the percentage of registered mail containing checks and as this mail runs into millions a very small mistake in the estimation of this percentage would make a very large difference in results. On the other hand, an interview with a few banks which usually deal with remittances revealed that the notion of an 'average' check is illusory.

3. An alternative method of estimating remittances is to make a sample survey of the people who receive them. Such a survey, however, to be accurate, must be carried on a sound and large statistical basis and is, therefore, time-consuming. For purposes of this study, the cost of such a survey would have been prohibitive. However, an attempt has been made to arrive at some preliminary information by small selective surveys. Four villages in the Mount Lebanon and Southern districts were chosen and enumerators were detailed to them with a small questionnaire. The questions asked related mainly to the number of emigrants from the village; their present residence; whether they sent any assistance home or to the village, in money or in kind; if so, how was the assistance sent; finally, whether any money was sent to the emigrants. The results that have been obtained following a door to door investigation carried with the help of the local *mukhtars* cannot, of course, be considered representative of all Lebanon, as the sample chosen was too small; they help, however, to show local differences between districts and to indicate avenues for further in-

vestigation.

1957 Total amounts (in money and kind) received by the four villages from emigrants were reported at LL. 240,347 in 1951 and LL. 323,550 in 1952, making an average per village of LL. 60,087 and LL. 80,889 respectively (cf. Table 30). However, individual differences between villages were great. The Metn village reported the smallest annual remittance (LL. 8,075 in 1952) and the Baalbak village the highest (LL. 165,742 in 1952); in between were the districts of Jbeil (LL. 23,088 in 1951 and LL. 30,454 in 1952) and Merjayoun (LL. 108,568 in 1951 and LL. 119,288 in 1952). However, the survey indicated clearly that in all villages remittances were sent regularly; that most of them were made by check; that they included a good deal of capital transfers; finally that assistance in kind, in the form of cars, used clothing etc., was far from negligible, being about one-fifth of money remittances.

4. Several similar surveys have been made by various groups covering selected regions in the country. Mr. S.M. Sawaya, in an income study of Al Kura district,[1] estimated at LL. 185 per household the annual remittances received from abroad; this would indicate total remittances of LL. 11,083 per village and of LL. 657,048 for the whole district of Al Kura. The Rural Agricultural Survey Office (Point IV) made a similar, although more detailed and complete study of the Beka and estimated emigrants' remittances in that region at LL. 3.98 million or LL. 18,700 per village. Finally, figures collected for the Urban Survey of Beirut show that the city receives from its emigrants abroad approximately LL. 2.5 million annually.

For want of a better basis of estimation, it has been decided to assume that the results obtained for Al Kura are also applicable to the neighbouring Zgorta and Tripoli districts; that those for the Beka are applicable to the ethnologically and economically similar districts of Akkar, Nabatieh, Sour and Saida; that those for the Metn represent also the Shouf; those for Jbeil, the Kesrwan and Batroun; those for Baalbak, Aley, and those for Merjayoun, Jezzine. An extension

1 S.M. Sawaya, *Household Income & Expenditure in Al-Kura, Lebanon* (M.A. thesis) A.U.B. 1953.

of the sample figures on the basis of the number of villages in each district would indicate emigrants' remittances of L.L. 53.4 milion in 1951 and L.L. 66.7 million in 1952. To this should se added remittances received in the cities. For an estimate of these, the figures obtained for Beirut have been doubled on the assumption that all the other cities get an amount equal to Beirut's. Thus emigrants' remittances would be roughly L.L. 58.4 million in 1951 and L.L. 71.7 milion in 1952.[1] The relatively large increase between the two years must be attributed to the emergence of a new type of remittors. In the past most emigrants went to the Americas and, whenever they could afford it, sent back home little sums for the upkeep of their parents and immediate family. Since the end of the war, the Lebanese are emigrating more and more to the neighbouring Arab countries; from here where they intend to stay only temporarily they send, not only assistance money to their relatives, but all they canave. In other words, in the 1952 figure of remittances here is a good deal of concealed capital import.

6. To check on these figures, it was thought advisable to ask the major banks to supply any information they could regarding foreign transfers which might be regarded as remittances. All but three declined to answer, mainly on the ground that in their normal business they do not usually try to identify remittances. The three banks that answered reported annual remittances of about L.L. 2.5 million. An extension of this figure to cover the existing 50-odd banks, would indicate total money remittances of about L.L. 42 million.[2] If assistance in kind (which is estimated at one-fifth of the money remittances) were added, total remittances would be around L.L. 50 million. This figure is lower than those given above; the latter are, however, probably more correct as some remittances are made in cash through intermediaries and not by check through banks. It is re-

1 It is realized that this method of computation is highly arbitrary. Under the circumstances, however, as no extensive study of the problem was possible because of the time it would have required, this method was the best available. It is hoped that a sample survey of villages would soon be undertaken which would make possible better estimation of remittances in future years.

2 It should be said here that small banks may be as important as the large ones for cashing foreign checks; one of the small banks reported that discounted checks representing remittances amounted to about one half its total business.

[457] portedly common for an emigrant, presumably in order to escape foreign exchange regulations in his country of residence, to request a third person who may be coming to Lebanon, or is doing business with Lebanon to pay a given sum to his relatives. Such payments naturally are not reflected in bank accounts.

7. It has been impossible to determine emigrants' transfers (i.e., the money they take with them) or funds subsequently sent to them. All the surveys that have been undertaken to date do not indicate anything on that point. A few bankers, known to be in relation with emigrants, were interviewed for that purpose. While refusing to give definite estimates, most of them seemed agreed that annual transfers could not have exceeded LL. 4 million in 1951 and LL. 2.7 million in 1952; the difference between the two years reflecting the decline in emigration (cf. Table 23).

II. Charitable and Cultural Institutions

[747] There are many charitable and cultural institutions in Lebanon, both Lebanese and Foreign which receive donations from abroad. A list of these institutions has been prepared, and a questionnaire sent to each requesting information on the total aid received in kind and in cash, with breakdowns for cash donations according to foreign currencies received.[1] Almost all the listed institutions answered, and reported total donations of LL. 10.2 million in 1951 and LL. 13.5 million in 1952 (cf. Table 31).

III. Government

[648] Under this heading has been included American aid, under the Point IV cooperative programme and the French technical assistance. Both programmes were started in 1951 and have been expanding ever since. Actual expenditures under these programmes did not exceed LL. 0.5 million in 1951 and LL. 2.5 million in 1952. These figures, however, do not include the salaries paid by the foreign government concerned to its own technicians employed under the aid programme. The salaries have already been included under government transactions (cf. p. 39).

[1] See Appendix 5

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CAPITAL MOVEMENTS

The lack of relevant banking statistics makes it impossible 457* to determine the magnitude of capital movements and their net results. Actually, as long as no proper bank reporting system is officially instituted, any estimate of capital flows cannot be more than a guess especially since most banks are extremely loath to reveal privately any information on their business. Under the circumstances, it was thought best not to try to arrive at new estimates which, however carefully worked out they might be, would still be subject to a considerable margin of error. A probably preferable alternative is to consider as net capital movements the residual difference between all the other credit items and the debit items in the balance of payments. Usually, when capital movements are separately calculated, such residual difference is referred to as 'errors and omissions'. In this study, since it has been impossible to isolate capital movements, they have been assumed to account for all the residue. Consequently, there is no separate 'errors and omissions' entry.

Thus conceived, capital movements indicate net inflows of LL. 14.7 million in 1951 and LL. 43.7 million in 1952. These figures naturally include the importation of foreign banknotes which was recorded at the Customs at LL. 7 million in 1951 and LL. 3.2 million in 1952 at the official rate or, respectively, LL. 12 million and LL. 5.5 million at the free rate. The increase in capital imports in 1952 is attributable mainly to large capital inflows from Saudi Arabia and Egypt, particularly from the latter where the unsettled political situation reportedly caused a sizeable capital flight.

COMPENSATORY FINANCING

1457 The IMF Balance of Payments Manual defines compensatory financing as "the financing undertaken by the monetary authorities to provide exchange to cover a surplus or deficit in the rest of the balance of payments". For its application in Lebanon, this concept of financing has to be slightly amended. As there is in Lebanon a completely free exchange market and a fully convertible currency with banks willing to buy and sell foreign exchange freely, there is no reason to distinguish, as the Fund does, between official (i.e., that undertaken by the monetary authorities) and non-official financing. The Fund's concept has been made to apply in a world of controlled exchange systems where the monetary authorities normally supply or absorb the "equilibrating" capital movements. Such is obviously not the case in Lebanon; compensatory financing in this country may be undertaken both by the monetary authorities or the public (including banks) and probably more by the latter than by the former. So compensatory financing has been taken to cover all transactions that are clearly of an equilibrating nature and thus must, by definition, be equal to the whole surplus or deficit. Actually it simply corresponds to, or, in other words reflects this surplus or deficit. A proper estimation of these compensatory transactions is of course extremely difficult. The only practical way to do it is to assume that, in the absence of evidence to the contrary, the net movement in the various items that make up international reserves is compensatory. International reserves have been defined for this purpose to include monetary gold, foreign exchange balances abroad and short-term liabilities to foreigners (i.e., non-residents). The latter are considered compensatory since they reflect foreign loans (and sometimes forced loans in the case of blocked or otherwise restricted liabilities), such loans having served to finance exchanges with particular countries. Thus an increase in short-term liabilities corresponds to a deficit, and a reduction of such liabilities to a surplus.

Lebanon's monetary gold reserves increased from $20 million at the end of 1950, to $28.3 million at the end of 1951 and to

$30.6 million at the end of 1952, i.e., by LL. 23.9 million in 1951 and LL. 15.4 million 1952 at the then prevailing rates of exchange.

There is no complete information about the changes in foreign exchange reserves. Data is available regarding movements in dollar and French franc balances only. Movements in other balances could not be ascertained; however, as these balances are known to be relatively small, a general assumption that no net changes occurred in them in 1951 and 1952 may not seriously damage the results. According to information supplied by the Federal Reserve Board of New York, Lebanon's dollar balances increased from $12.3 million at the end of 1950, to $15.3 million at the end of 1951, and to $19.3 million at the and of 1952, i.e., by LL. 11.4 million in 1951 and LL. 14.3 million in 1952. French franc balances, on the other hand, reportedly declined in that period from the equivalent of $16.1 million to $12 million and to $10.9 million, i.e., by LL. 12.3 million in 1951 and LL. 3.9 million in 1952. Therfore total foreign exchange reserves declined by LL. 0.9 million in 1951 but increased by LL. 10.4 million in 1952.

In the absence of relevant banking statistics, private enquiries had to be made at the major local banks to ascertain the movements in liabilities to non-residents. Most of the banks that were approached willingly gave the requested information; some, however, preferred to report only the net changes in the liabilities from year to year rather than total liabilities at year ends. On the basis of the information thus collected, bank liabilities to non-residents seem to have increased by LL. 4.1 million in 1951; they declined, however, by LL. 0.5 million in the following year.

Thus total compensatory financing (i.e., net changes in monetary gold, foreign exchange assets and bank liabilities to non-residents) was to the tune of LL. 18.9 million in 1951 and LL. 26.3 million in 1952. These figures reflect the overall surplus in the balance of payments in the two respective years.

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Table 1

Re-Exports with Re-Imbursements of Duties

(In I.L. 1,000)

Country	1931					1932				
	I	II	III	IV	Year	I	II	III	IV	Year
Egypt	23	5	26	—	56	—	46	42	29	117
Iraq	43	74	97	91	310	70	195	227	156	638
Persia, Bahrein, Qatar and Saudi Arabia	30	40	245	13	328	31	1081	681	520	2313
Syria	155	165	72	271	613	157	338	341	304	1140
Afghanistan and Palestine	14	133	31	4	181	—	82	78	157	315
Turkey	9	34	4	18	55	3	43	18	3	67
Persia	4	10	1	6	21	2	30	3	18	53
Other Franc Area	—	—	—	—	—	—	—	—	—	—
Germany	1	—	1	—	2	2	1	2	6	11
Italy	39	6	15	81	141	—	—	5	30	35
United Kingdom	—	100	37	3	140	—	13	—	3	16
Other Sterling Area	—	—	—	—	—	—	—	—	—	—
Other Western Europe	—	1	2	1	4	—	1	18	26	45
Eastern Europe	4	—	—	—	4	—	—	—	—	—
U.S.A.	8	—	1	4	13	12	35	6	—	53
Others	37	38	82	101	258	55	464	288	188	995
TOTAL	341	585	619	653	2198	355	2307	1505	1336	5503

Roman Numerals indicate quarters

Source: Figures computed from the *Customs' Records*

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Table 2

Ordinary Re-exports

(in L.L. 1,000)

Country	1951					1952				
	I	II	III	IV	Year	I	II	III	IV	Year
Egypt	19	22	3	40	84	229	22	46	38	335
Iraq	83	80	256	203	622	2388	577	137	273	3375
Kuwait, Bahrein, Qatar	–	–	–	–	–	–	–	–	–	–
Saudi Arabia	15	17	23	173	228	83	201	113	202	719
Syria	512	758	804	1366	3440	731	982	1055	806	4174
Transjordan & Palestine	135	241	117	621	1104	1021	111	385	128	1645
Turkey	119	148	377	316	960	229	313	49	–	591
France	23	128	289	37	477	1030	3527	691	150	5398
Other Franc Area	–	–	–	–	–	–	–	–	–	–
Germany	–	–	–	3	3	98	171	211	39	519
Italy	2	617	37	10	666	31	53	80	717	881
United Kingdom	–	90	2	33	125	17	47	566	41	671
Other Sterling Area	–	–	–	–	–	–	–	–	–	–
Other Western Europe	–	40	8	6	54	12	9	87	281	350
Eastern Europe	–	–	41	5	46	–	–	20	–	20
U.S.A.	–	25	21	89	145	84	32	46	54	196
Others	153	95	34	101	473	1552	597	653	150	2952
TOTAL	1051	2241	2042	3008	8427	7483	6672	4709	2909	21835

Roman Numerals indicate quarters

Source: Figures computed from the *Customs' Records*

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Table 3

Banknotes Imported During 1951 and 1952
(In L.L. 1,000)

Country	1951					1952				
	I	II	III	IV	Year	I	II	III	IV	Year
Djibouty	–	–	–	12	12	–	–	–	–	–
Holland	–	16	–	–	16	–	–	–	–	–
India	102	–	140	–	242	–	–	–	630	630
Kuwait	391	131	1940	4480	6942	13	773	1442	–	2228
Somaliland (Fr.)	–	–	–	–	–	38	–	–	–	38
United Kingdom	–	–	–	–	–	–	–	–	250	250
U.S.A.	44	65	–	–	109	–	45	–	34	79
TOTAL	537	212	2080	4492	7321	51	818	1442	914	3225

Roman Numerals indicate quarters
Source: Customs' Records

Sytel and Klee 8-k (951-52)1954 MEI Lebanon MEI

Table 4

Value of Films Imported During 1951 and 1952
As Recorded by Customs
(In L.L. 1,000)

Country	1951					1952				
	I	II	III	IV	Year	I	II	III	IV	Year
Argentine	2	4	—	—	6	—	—	1	—	1
Belgium	3	4	4	—	11	9	2	1	3	14
Brazil	1	—	—	—	1	—	—	—	—	—
Egypt	21	20	19	23	83	17	21	15	18	71
France	22	19	17	33	101	33	15	9	15	72
Germany	—	—	—	2	2	—	—	—	1	1
Holland	—	—	—	—	—	—	—	—	1	1
India	3	—	—	—	3	—	—	1	—	1
Italy	—	2	—	—	2	12	4	1	3	20
Japan	—	—	—	—	—	—	—	—	3	3
Spain	—	—	—	—	—	—	1	—	4	5
Switzerland	—	—	—	1	1	—	—	—	—	—
Turkey	—	—	—	—	—	3	1	—	—	4
United Kingdom	12	8	8	13	41	8	8	7	4	27
U.S.A.	101	73	50	87	330	84	73	57	88	302
U.S.S.R.	—	—	—	—	—	—	2	—	—	2
TOTAL	174	130	107	159	570	165	127	93	139	524

Roman Numerals indicate quarters

Source: Customs' Records

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GEN 1951 and 1952 8-4 (1951-52)1954 MEI Customs MEI

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Table 5

Rates of Exchange Used for Conversion by Customs

Type of Currency	Value in Leb. Piastres	Date of Application
U.S. Dollar	221.000	18.11.48
Sterling Pound	619.000	19. 9.49
Iraqi Pound	619.000	19. 9.49
Egyptian Pound	635.000	19. 9.49
Belgian Franc	4.430	19. 9.49
Swiss Franc	52.000	18.11.48
French Franc	0.627	19. 9.49
Swedish	42.860	19. 9.49
Indian Rupee	46.625	19. 9.49
Pakistani Rupee	66.708	19. 9.49
Czechoslovakian Koruna	4.430	20. 3.52
Danish Kroner	32.010	2. 4.52
Turkish Lira	78.930	20. 4.52
Jordanian Dinar	619.000	3. 7.52
Canadian Dollar	221.000	4. 9.52

Source: Ministère de l'Economie Nationale, Service de Statistique Générale, *Bulletin Statistique Trimestriel*, Beirut, 1952.

Table 6

Exports (F.O.B.)

(in L.L. 1,000)

Country	1937					1938				
	I	II	III	IV	Year	I	II	III	IV	Year
Egypt	1,683	3,579	2,133	2,684	9,479	1,309	1,322	825	3,251	6,712
Iraq	611	538	638	1,345	3,932	709	783	787	1,087	3,367
Kuwait, Bahrein, Qatar	154	219	173	333	879	285	887	473	845	2,454
Saudi Arabia	641	880	842	1,079	3,443	1,145	2,384	2,374	3,498	9,401
Syria	8,750	5,680	3,874	4,530	22,834	4,255	4,884	3,433	5,043	17,664
Transjordan & Palestine	723	1,244	792	1,568	4,385	778	884	948	1,451	4,072
Turkey	65	236	31	181	513	265	307	171	88	731
France	314	1,704	365	1,053	3,436	819	814	369	1,806	3,743
Other French Area	1	854	5	263	623	7	26	42	478	555
Germany	26	86	111	32	255	250	149	30	17	446
Italy	324	1,026	1,319	1,663	4,332	1,695	685	215	1,379	3,364
United Kingdom	836	894	934	995	3,739	2,740	583	348	879	4,528
Other Sterling Area	330	1,173	688	1,424	3,634	2,448	420	1,502	2,915	7,285
Other Western Europe	440	681	122	780	2,023	1,304	375	339	606	3,024
Eastern Europe	337	330	1,304	1,348	3,477	730	410	921	1,810	3,871
U.S.A.	4,595	13,938	2,548	2,954	23,733	2,994	875	1,208	3,938	8,933
Others	371	825	1,396	1,457	4,139	1,359	1,186	1,067	1,410	5,024
TOTAL	20,324	33,179	16,455	22,688	91,791	23,562	16,703	15,010	30,176	85,451

Roman Numerals indicate quarters

(1) Including Reexports with reimbursements of duties.

Source: Figures computed from the Customs' Records.

Table 7

Quarterly Averages of Free Exchange Rates and Corresponding Conversion Factors (in Lebanese Piasters)

Type of Currency		1951				1952			
		I	II	III	IV	I	II	III	IV
U.S. Dollar	£v/£ [1]	380.25	380.40	365.50	370.40	383.13	380.53	355.13	357.41
	q/£ [2]	1.72	1.67	1.65	1.70	1.73	1.67	1.61	1.62
Sterling	£v/£	988.30	954.30	905.65	935.50	934.00	947.90	914.30	958.50
Lebanese	q/£	1.61	1.54	1.48	1.48	1.49	1.53	1.48	1.55
French	£v/£	0.95	0.93	0.88	0.83	0.90	0.93	0.89	0.93
Franc	q/£	1.50	1.50	1.51	1.36	1.44	1.49	1.43	1.48
Egyptian	£v/£	920.50	930.60	870.50	893.17	910.00	914.85	784.85	775.00
Pound	q/£	1.49	1.43	1.36	1.31	1.39	1.36	1.34	1.33
Belgian	£v/£	7.37	7.04	6.76	7.39	7.61	7.40	7.09	6.57
Franc	q/£	1.64	1.59	1.55	1.65	1.73	1.67	1.58	1.55
Iraqi Dinar	£v/£	915.64	881.40	836.05	880.05	891.05	915.00	880.00	905.56
	q/£	1.48	1.34	1.38	1.36	1.44	1.48	1.44	1.50
Syria	£v/£	100.70	104.40	100.30	98.84	98.00	98.05	105.10	97.50
	q/£	1.07	1.01	1.08	0.95	0.99	0.98	1.03	0.96

[1] Lebanese exchange office.
[2] Lebanese conversion factor.

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Table 8

Imports (C.I.F.)
At Free Market Rates
(in 1,000 Leb. Pounds)

Country	1931					1932				
	I	II	III	IV	Year	I	II	III	IV	Year
Egypt	1,429	2,691	1,500	821	6,331	764	575	1,008	764	2,909
Iraq *	6,512	4,911	10,008	7,684	29,115	6,314	4,239	3,519	7,826	21,898
Kuwait & Bahrein	5	224	45	4	278	57	89	18	51	215
Saudi Arabia	275	818	710	937	2,740	908	843	2,486	1,327	5,564
Syria	14,196	18,782	12,841	15,102	60,700	8,964	13,958	17,172	22,953	63,005
Transjordan & Palestine	1,315	1,337	472	426	3,550	708	798	1,635	1,636	4,777
Turkey	2,806	2,522	1,589	4,707	11,624	2,571	785	1,150	2,135	6,641
France	12,006	20,017	9,560	10,684	52,269	10,184	9,126	7,279	12,262	38,851
Other Franc Area	320	765	278	488	1,852	472	225	253	897	1,847
Germany	3,895	4,277	2,708	3,190	13,987	3,149	3,858	3,944	4,064	14,815
Italy	4,713	4,506	2,582	5,530	17,421	3,825	3,502	2,436	5,161	14,912
United Kingdom	11,177	12,782	8,932	12,074	44,965	10,588	11,481	9,721	14,254	46,044
Other Sterling Area	2,873	2,063	2,148	1,434	8,246	2,143	2,308	2,788	3,198	10,448
Other Western Europe	12,428	13,309	9,427	11,865	47,029	13,775	10,214	14,756	14,888	52,710
Eastern Europe	4,481	3,739	3,373	4,365	15,958	6,470	3,724	3,543	5,029	18,766
U. S. A.	15,815	21,316	18,729	21,457	77,317	24,512	19,817	15,787	19,885	79,481
Others	5,783	7,219	6,329	13,123	32,458	21,141	5,080	5,727	21,092	53,040
TOTAL	99,450	121,048	91,117	113,890	425,521	122,583	86,978	93,170	137,001	442,681

* Includes 150 Imported from I.P.C.
Refineries in Tripoli; Value >

none; 2,788; 5,043; 3,249; 10,080 2,096 3,445; 2,787; none; 9,213

Roman Numerals indicate quarters.
Source: Figures compiled from the *Customs' Records*

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Table 9

Trade by Commodity
(in I.L. 1,000)

No.	Section	IMPORTS [1]		EXPORTS	
		1951	1952	1951	1952
I	Animals & Products of	38,734	31,328	1,123	1,447
II	Vegetable Products	84,506	106,794	9,074	23,047
III	Fats, Oils, Wax and Products of	4,020	4,020	2,013	2,364
IV	Food Products, Beverages & Tobacco	20,491	21,008	2,852	2,581
V	Mineral Products	31,480	26,508	4,111	2,008
VI	Chemical & Pharmaceutical Products	22,483	22,503	3,301	1,831
VII	Leather, Hide, Fur and Products of	6,379	7,742	4,357	2,970
VIII	Rubber Products	7,020	4,201	450	338
IX	Wood, Cork and Products of	13,774	12,528	808	1,126
X	Paper Products	13,433	8,805	1,873	1,354
XI	Textiles and Products of	80,277	67,262	38,484	30,416
XII	Shoes, Hats & Articles of Fashion	3,087	1,334	480	730
XIII	Cements, Glassware etc. . .	8,415	8,581	722	1,013
XIV	Jewelry	1,006	2,080	65	78
XV	Common Metals	14,920	22,772	6,267	6,907
XVI	Machinery, Spare parts, Electrical Appliances	34,471	42,558	5,527	5,851
XVII	Transportation Equipment	19,884	21,062	507	950
XVIII	Scientific & Musical Instruments, Watches	5,576	5,768	127	187
XIX	Arms & Ammunitions	914	798	10	19
XX	Other Manufactures	2,582	2,804	137	202
XXI	Artistic Works & Collections	202	211	6	18
	TOTAL	409,994	434,089	80,502	77,228

[1] The discrepancy between these figures and those on Table 8 are due to the fact that, whereas the latter have been calculated on the basis of a quarterly conversion factor, the former, in order to facilitate comparison, have been calculated on the basis of a yearly conversion factor.

Source: Figures compiled from the Customs' Records.

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8:Fed and Kist S-4 (1951-52)1954 MEI Lebanon MEI

Table 10

IMPORTS
(By Currency Area)
(In LL. 1,000)
1951

No.	Section	Syria	Sterling Area	Franc Area	Others	Total
I	Animals & Product of	28,267	1,748	171	8,548	38,734
II	Vegetable Products	11,014	21,746	7,923	43,673	84,356
III	Fats, Oils, Wax and Products, of	106	1,155	885	1,874	4,020
IV	Food Products, Beverages & Tobacco	1,087	10,102	1,756	7,546	20,491
V	Mineral Products	155	23,970	423	6,941	31,489
VI	Chemical & Pharmaceutical Products	23	5,159	4,534	12,767	22,483
VII	Leather, Hide, Fur and Products of	856	3,390	440	1,693	6,379
VIII	Rubber Products	—	1,090	851	5,109	7,050
IX	Wood, Cork and Products of	448	495	1,636	10,195	12,774
X	Paper Products	1	753	1,324	10,344	12,422
XI	Textiles and Products of	18,855	21,228	12,393	27,801	80,277
XII	Shoes, Hats & Articles of Fashion	—	600	163	1,274	2,037
XIII	Ceramics, Glassware etc...	129	407	1,653	6,226	8,415
XIV	Jewelry	—	209	58	741	1,008
XV	Common Metals	21	2,942	9,236	2,721	14,920
XVI	Machinery, Spare Parts, Electrical Appliances	75	7,537	6,389	20,470	34,471
XVII	Transportation Equipment	4	1,968	1,874	15,738	19,584
XVIII	Scientific & Musical Instruments, Watches	23	402	634	4,317	5,376
XIX	Arms & Ammunitions	2	77	248	589	914
XX	Other Merchandise	—	454	332	1,804	2,592
XXI	Artistic Works & Collections	19	—	115	68	202
	TOTAL	61,085	105,432	53,038	190,439	409,994

Source: Figures computed from the *Customs' Records.*

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8pFel and Klat S-4 (951-52)1954 MEI Lebanon MEI

Table 11

IMPORTS
(By Currency Area)
(In LL. 1,000)
1952

No.	Section	Syria	Sterling Area	Franc Area	Others	Total
I	Animals & Products of	22,396	1,951	153	7,328	31,828
II	Vegetable Products	30,926	11,986	1,231	62,641	106,784
III	Fats, Oils, Wax and Products of	28	479	556	3,627	4,690
IV	Food Products, Beverages & Tobacco	994	9,445	1,533	9,694	21,666
V	Mineral Products	159	17,006	559	18,052	35,776
VI	Chemical & Pharmaceutical Products	29	5,634	4,038	12,882	22,583
VII	Leather, Hide, Fur and Products of	288	2,781	1,749	2,924	7,742
VIII	Rubber Products	—	1,146	909	2,236	4,291
IX	Wood, Cork and Products of	48	602	1,624	10,254	12,526
X	Paper Products	6	800	1,478	7,519	9,803
XI	Textiles and Products of	8,333	23,731	8,983	26,235	67,282
XII	Shoes, Hats & Articles of Fashion	2	366	176	990	1,534
XIII	Ceramics, Glassware etc...	267	507	1,526	6,581	8,881
XIV	Jewelry	1	691	57	1,331	2,080
XV	Common Metals	60	3,441	8,438	20,833	32,772
XVI	Machinery, Spare Parts, Electrical Appliances	15	5,931	6,248	30,362	42,556
XVII	Transportation Equipment	4	2,575	2,253	16,230	21,062
XVIII	Scientific & Musical Instruments, Watches	—	559	649	4,575	5,783
XIX	Arms & Ammunitions	—	75	208	515	798
XX	Other Merchandise	6	516	262	1,820	2,604
XXI	Artistic Works & Collections	7	23	120	61	211
	TOTAL	63,567	90,245	42,750	246,690	443,252

Source: Figures computed from the *Customs' Records.*

Table 12

EXPORTS
(By Currency Area)
(In LL. 1,000)
1951

No.	Section	Syria	Sterling Area	Franc Area	Others	Total
I	Animals & Products of	17	443	13	650	1,123
II	Vegetable Products	3,574	10,079	1,778	3,703	19,074
III	Fats, Oils, Wax and Products, of	41	1,309	207	455	2,012
IV	Food Products, Beverages & Tobacco	894	1,850	6	312	3,852
V	Mineral Products	3,161	834	–	126	4,111
VI	Chemical & Pharmaceutical Products	2,161	772	109	258	3,301
VII	Leather, Hide, Fur and Products of	1,033	1,423	262	1,119	4,357
VIII	Rubber Products	198	129	1	102	430
IX	Wood, Cork and Products of	407	189	–	302	898
X	Paper Products	578	1,195	31	73	1,873
XI	Textiles and Products of	1,527	5,332	1,409	26,136	35,404
XII	Shoes, Hats & Articles of Fashion	105	271	53	21	450
XIII	Ceramics, Glassware etc...	261	177	3	288	729
XIV	Jewelry	–	31	4	50	85
XV	Common Metals	3,178	1,309	21	3,659	8,267
XVI	Machinery, Spare Parts, Electrical Appliances	4,808	474	88	457	5,827
XVII	Transportation Equipment	148	201	58	100	507
XVIII	Scientific & Musical Instruments, Watches	15	54	8	50	127
XIX	Arms & Ammunitions	1	9	–	–	10
XX	Other Merchandise	39	77	–	21	137
XXI	Artistic Works & Collections	–	5	–	1	6
	TOTAL	21,871	28,713	4,043	38,803	89,389

Source: Figures compiled from the Customs' Records.

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8:Tel and Elec 3-4 0951-521954 MEI Lebanon MEI

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8:Fel and Klat S-4 (1951-52)1954 MEI Lebanon MEI

Table 13

EXPORTS
(By Currrency Area)
(in LL. 1,000)
1952

No.	Section	Syria	Sterling Area	Franc Area	Others	Total
I	Animals & Products of	51	570	2	824	1,447
II	Vegetable Products	6,031	12,674	1,819	4,523	25,047
III	Fats, Oils, Wax and Products of	531	2,086	376	371	3,364
IV	Food Products, Beverages & Tobacco	914	1,460	121	1,096	3,591
V	Mineral Products	1,149	501	2	441	2,093
VI	Chemical & Pharmaceutical Products	799	571	77	384	1,831
VII	Leather, Hide, Fur and Products of	,785	1,100	178	907	2,970
VIII	Rubber Products	103	80	5	45	233
IX	Wood, Cork and Products of	211	151	12	764	1,138
X	Paper Products	249	779	102	224	1,354
XI	Textiles and Products of	2,530	7,757	1,099	9,030	20,416
XII	Shoes, Hats & Articles of Fashion	57	296	3	374	730
XIII	Ceramics, Glassware etc. . .	111	384	1	516	1,012
XIV	Jewelry	—	49	1	28	78
XV	Common Metals	604	1,221	32	5,140	6,997
XVI	Machinery, Spare Parts, Electrical Appliances	1,891	822	254	884	3,851
XVII	Transportation Equipment	306	220	129	295	950
XVIII	Scientific & Musical Instruments, Watches	2	109	5	71	187
XIX	Arms & Ammunitions	5	7	1	6	19
XX	Other Merchandise	42	99	1	60	202
XXI	Artistic Works & Collections	1	—	9	8	18
	TOTAL	16,372	30,936	4,229	25,991	77,528

Source: Figures computed from the *Customs' Records*

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Table 14

Imports of Gold
1951

Countries	Ingots		Coins			Total Value (in LL. 1,000)
	Kgs.	Value in LL. 1,000	Kgs.	£ Gold	Value in LL. 1,000	
Belgium	12	61	4	423	20	81
France	1377	6753	—	—	—	6753
Kuwait	3	14	40	5045	228	242
Liberia	118	580	—	—	—	580
Mexico	38	186	2	250	11	197
Netherlands	1075	5272	—	—	—	5272
Peru	11	52	—	—	—	52
Saudi Arabia	1	4	120	15023	679	683
Switzerland	188	920	—	—	—	920
U.K.	269	1417	52	6510	294	1711
Union of S. Africa	75	367	—	—	—	367
U.S.A.	4225	20726	—	—	—	20726
TOTAL	7412	36352	218	27251	1232	37584

Yearly average price of Kg. of gold: LL. 4905
Yearly average price of £ gold: LL. 45.20

Source: Figures computed from the *Customs' Records.*

Table 15

Imports of Gold
1952

Countries	Imports		Exports			Total in Lt. 1,000
	Kg.	Value in Lt. 1,000	Kg.	£ Gold	Value in Lt. 1,000	
France	1361	4722	641	80220	3434	10148
Germany	200	693	–	–	–	693
Kuwait	51	220	101	12636	543	771
Netherlands	1041	4650	1180	147755	6326	10955
Saudi Arabia	–	–	187	23806	882	882
Switzerland	925	4135	110	13771	588	4721
U.K.	1509	7159	260	30648	1321	8480
Uruguay	276	1255	–	–	–	1255
U.S.A.	2989	13352	–	–	–	13352
TOTAL	8580	39413	2484	310836	13278	51691

Yearly Average Price of Kg. of gold: Lt. 4477
Yearly Average Price of £ gold: Lt. 42.88

Source: Figures compiled from the Customs' Records.

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Table 16

Exports of Gold
(Coins)
1951

Countries	1st Quarter		2nd Quarter		Total	
	Kgs.	Value in £E. 1,000	Kgs.	Value in £E. 1,000	Kgs.	Value in £E. 1,000
Saudi Arabia	800	3,000	400	2,000	1200	5,000
Kuwait	200	1,000	400	2,000	600	3,000
TOTAL	1000	4,000	800	4,000	1800	8,000

Source: Figures compiled from the Customs' Records

Egypt. Central Bank. Research Dept. 1951-52/1954 HG3 .E3 no.4

Table 17

Summer Resorting in Private Houses
Summer 1955

Country of Residence	No. of Hirers Rented	No. of Persons			Total Expenditure in I.L. 1,000	Average Expenditure per person in I.L.
		Adults	Children	Total		
Egypt	57	195	160	355	271	765
Iraq	127	435	306	741	1,015	1370
Kuwait	36	228	103	331	1,326	4000
Bahrein	3	5	10	15	13	866
Saudi Arabia	91	267	137	404	1,390	3196
Syria	97	387	253	640	357	558
Transjordan : Palestine	9	39	39	78	110	1410
Qatar & Oman	5	41	13	54	188	3474
West Africa	13	112	73	185	740	4000
Others	37	24	16	40	39	975
TOTAL	475	1723	1110	2833	5,549	1959

Source: Information privately secured

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Table 16

Summer Traveling in Private Homes
Summer 1953

Boarding Centers	No. of Persons		No. of Homes	Range of Rates per Person per Week
	Adults	Children		
[illegible]	45	20	9	25
[illegible]	288	139	75	220
[illegible]	221	144	45	25
[illegible]	175	134	38	227
[illegible]	119	70	8	227
[illegible]	85	35	21	28
[illegible]	82	37	7	28
[illegible]	82	28	14	28
[illegible]	82	28	21	28
[illegible]	82	28	17	28
[illegible]	82	28	10	28
[illegible]	82	28	8	28
[illegible]	82	28	6	28
[illegible]	82	28	4	28
[illegible]	82	28	3	28
[illegible]	82	28	2	28
[illegible]	82	28	1	28
[illegible]	82	28	1	28
[illegible]	82	28	1

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Table 19

Expenditure of Summer Resorters in Hotels
1953

Countries	Persons	Expenditure in L.L. 1,000
Egy	3644	1155
Iraq	3189	985
Jordan	1228	389
Bahrein	318	121
Kuwait	458	156
Qatar	61	25
Saudi Arabia	714	233
Syria	5494	775
Others	1306	256
TOTAL	16412	3795

Source: Information privately secured.

Table 20

Expenditure of Foreign Students
in Lebanon

Country	1961/1962		1962/1963	
	No. of Students	Expenditure (L.L. 1,000)	No. of Students	Expenditure (L.L. 1,000)
Egypt	73	178	75	175
Kuwait & Bahrain	88	184	87	207
Iraq	181	366	208	438
Jordan & Palestine	304	630	327	661
Saudi Arabia	203	381	319	628
Syria	887	1389	715	1443
Turkey	23	42	24	44
Others	535	838	642	1051
TOTAL	2,173	4208	2,400	4832

Source: Information privately secured

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8:Fet and Klat 8-4 (1951-52)1954 MEI Lebanon MEI

Table 21

Earnings of Hospitals in Lebanon
From Foreign* Patients
(in LL. 1,000)

Country	1951					1952				
	I	II	III	IV	Year	I	II	III	IV	Year
Bahrein	–	3	1	2	6	5	7	14	7	33
Egypt	5	4	15	11	35	4	11	17	14	46
Iraq	86	107	136	112	441	86	106	124	67	383
Kuwait	–	1	6	10	17	–	2	19	4	25
Saudi Arabia	13	17	19	41	90	67	76	96	84	323
Syria	74	99	108	91	372	115	112	105	113	445
Transjordan & Palestine	25	26	27	19	97	22	30	34	24	110
Turkey	5	2	2	–	9	–	–	–	–	–
Others	15	14	12	13	54	19	24	17	21	81
TOTAL	223	273	326	299	1121	318	368	426	334	1446

Roman Numerals indicate quarters

* Patients who do not habitually reside in Lebanon.

Source: Information privately secured.

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Table 22

Tourists' Expenditure in Beirut 1952

Countries	I		II		III		IV		TOTAL	
	Persons	Exp. in L.L. 1,000	Persons	Exp. in L.L. 1,000	Persons	Exp. in L.L. 1,000	Persons	Exp. in L.L. 1,000	Persons	Exp. in L.L. 1,000
Egypt	639	122	797	154	1522	148	789	105	3747	529
Iraq	627	101	719	114	1256	134	941	142	3543	491
Jordan	1006	154	1095	126	1324	141	1098	121	4523	542
Bahrein	89	13	92	17	82	9	95	25	358	64
Qatar	134	15	150	24	101	13	104	13	489	65
Kuweit	99	25	191	45	286	50	177	22	753	142
S. Arabia	1215	224	765	222	845	177	992	271	3817	894
Syria	5474	484	5331	403	4414	300	5957	555	21176	1742
U.S.A.	1568	344	2772	586	3278	619	2870	629	10488	2178
U.K.	2951	317	3321	333	3103	355	3053	315	12428	1320
France	576	169	834	198	1184	160	813	161	3407	688
Turkey	970	148	1226	196	1383	174	1116	180	4695	698
Germany	162	35	244	57	165	41	243	74	814	207
Iran	223	25	179	29	169	25	160	24	731	103
Italy	170	28	204	28	405	36	228	27	1007	119
Others	1631	227	2057	413	1711	361	1900	339	7299	1340
TOTAL	17534	2431	19977	2945	21228	2743	20536	3003	79275	11122

Roman Numerals indicate quarters

Source: Information privately secured.

8:Fei and Klat S-4 (1951-52)1954 MEl Lebanon MEl

Table 23

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Lebanese Departing & Arriving Through the Port of Beirut and the International Airport

Year		Arrivals	Departures	
			Emigrants	Others
1951:	1st quarter	2,190	1,088	2,479
	2nd quarter	3,846	901	2,332
	3rd quarter	3,390	612	3,308
	4th quarter	2,006	1,381	3,349
	TOTAL	11,441	4,077	11,558
1952:	1st quarter	2,009	980	2,490
	2nd quarter	3,503	480	3,284
	3rd quarter	3,785	376	4,050
	4th quarter	2,717	929	5,982
	TOTAL	12,114	2,725	15,806
1953:	1st quarter	2,560	627	3,592
	2nd quarter	5,198	492	4,156

Source: Ministère de l'Economie Nationale. Service de Statistique Générale. Bulletins Statistiques Trimestriels, Beirut, 1951, 1952, 1953.

8:Fel and Klat S-4 (951-52)1954 MEI Lebanon MEI

Table 24

Passenger Fares in 1951 and 1952
(in LL. 1,000)

Debit

	BY SEA			BY AIR			TOTAL		
	Passengers		Total Fares	Passengers		Total Fares	Passengers		Total Fares
	Emig.	Others		Emig.	Others		Emig.	Others	
1951	3,055	6,031	6,512	1,022	16,963	4,397	4,077	22,994	10,909
1952	2,486	6,000	6,455	239	20,910	4,250	2,725	26,910	10,705

Source: Information privately secured.

Table 25

Ship-Stores and Port Expenditure *
(in LL. 1,000)

Country	1951					1952				
	I	II	III	IV	Year	I	II	III	IV	Year
Egypt	12	12	12	12	48	13	12	13	12	50
Turkey	32	51	83	40	206	32	51	83	40	206
France	16	21	23	27	87	14	15	19	11	59
Germany	31	37	37	32	137	38	43	48	55	184
Italy	147	149	147	148	591	164	165	165	164	658
United Kingdom	136	153	121	122	532	201	142	133	161	637
Other sterling Area	6	5	6	6	23	6	7	7	7	27
Other Western Europe	249	268	247	273	1037	379	389	386	448	1602
Eastern Europe	73	70	70	69	282	97	67	80	94	338
U.S.A.	439	441	440	440	1760	438	439	438	440	1755
Others (Greece)	81	85	82	83	331	88	89	94	91	362
TOTAL	1222	1292	1268	1252	5034	1470	1419	1466	1523	5878

* Includes only expenditure of ships which have agents in Lebanon.
Thus, purchases of stores by visiting navies and tramp ships are not included.
Source: Information privately secured.

8:Fei and Klat S-4 (1951-52)1954 MEI Lebanon MEI

Table 26

Gold in Transit into Lebanon 1951

Countries	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			Total		
	Quantity in Kgs.		Value in 1,000 LL.	Quantity in Kgs.		Value in 1,000 LL.	Quantity in Kgs.		Value in 1,000 LL.	Quantity in Kgs.		Value in 1,000 LL.	Quantity in Kgs.		Value in 1,000 LL.
	Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins	
Belgium	498	–	2249	481	–	2507	56	–	225	149	–	456	1184	–	5329
Egypt	100	–	500	–	–	–	54	–	270	–	–	–	154	–	770
France	9335	–	20858	1926	–	7057	725	–	2562	8642	415	38585	20628	415	70072
Great Britain	3945	–	18378	2868	–	11939	1185	–	4383	4732	120	18876	12730	120	53374
Holland	2933	–	12842	3237	–	13310	6765	877	30485	12810	811	55580	26751	1688	112217
Saudi Arabia	–	17	72	–	–	–	–	–	–	–	–	–	–	17	72
Switzerland	2200	–	9593	618	–	2682	723	–	2743	3049	–	11542	6590	–	26560
U.S.A.	2014	–	8963	891	–	3543	1018	1900	6577	3553	–	11730	7456	1900	32813
TOTAL	21025	17	82253	10021	–	40838	10524	2777	49245	33921	1346	134581	75491	4140	306917
Other Countries	1235	1863	16309	1153	2040	15336	1407	335	8413	1362	67	7838	5357	4305	47896
GRAND TOTAL	22260	1880	98562	11174	2040	56174	11931	3112	57658	35483	1413	142219	80848	8445	354813

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Source : Figures computed from the Customs' Records.

Table 37

Gold in Transit
Out of Lebanon
1951

Countries	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			Total		
	Quantity in Kgs.		Value in 1,000 L.L.	Quantity in Kgs.		Value in 1,000 L.L.	Quantity in Kgs.		Value in 1,000 L.L.	Quantity in Kgs.		Value in 1,000 L.L.	Quantity in Kgs.		Value in 1,000 L.L.
	Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins	
Egypt	77	12	430	368	–	1063	301	6	1484	–	–	–	746	18	2987
Greece	–	67	235	–	150	811	–	35	1235	–	55	68	–	368	2385
Holland	–	831	6452	–	1366	7555	–	48	245	–	–	–	–	2245	13965
Iraq	–	16	85	35	67	325	65	–	337	35	–	65	85	36	822
Italy	–	928	4947	–	135	680	–	–	–	–	–	–	–	1065	5627
Saudi Arabia	–	–	–	–	263	1195	–	1036	3936	–	1380	6881	–	3680	11977
Switzerland	–	–	–	–	40	150	–	–	–	–	–	–	–	40	150
Syria	675	–	3100	31	–	215	–	1060	4336	3850	–	6822	3576	1440	13965
Turkey	408	34	1975	82	15	316	–	–	–	8	–	38	478	49	2329
TOTAL	1180	1880	15314	504	2008	13435	366	3015	16481	3873	1408	13943	3880	9311	68043
Other Countries	21180	–	83248	10670	32	42719	11385	97	47165	32810	5	131177	77045	334	305309
GRAND TOTAL	22350	1880	98562	11174	2040	56174	11851	3113	57928	35683	1413	142319	80840	9645	364613

Source: Figures computed from the Customs' Records.

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Table 35

Gold in Transit
Out of Lebanon
1965

Countries	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			Total		
	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.
	Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins		Ingots	Coins	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
TOTAL	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Other Countries	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
GRAND TOTAL	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Source : Figures computed from the Customs' Records.

[illegible] and Kilos 0-4 [illegible] MEO Lebanon MEO

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Table 39

Gold in Transit
Into Lebanon
1952

Exporter	1st Quarter			2nd Quarter			3rd Quarter			4th Quarter			Total		
	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in L.Leb.	Quantity in Kgs.		Value in Leban.pds.	Quantity in Kgs.		Value in L.Leban.pds.
	Imports	Exports		Imports	Exports		Imports	Exports		Imports	Exports		Imports	Exports	
Switzerland	160	-	88	-	-	-	-	-	-	-	-	-	160	-	88
France	6838	-	3648	1	-	1	-	-	-	-	-	-	6839	-	3649
Germany	2185	-	1165	133	-	70	-	-	-	-	-	-	2318	-	1235
Great Britain	5187	40	7705	1883	40	1005	1300	-	1047	1300	-	1047	9670	80	10804
Holland	4434	1700	23551	1838	4450	27005	3450	1300	18847	3450	-	18847	13172	7450	88250
Switzerland	2335	40	13114	378	304	3333	1704	1014	13798	1300	-	10614	5717	1358	40859
Syria	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
U.S.A.	1020	-	3485	1017	-	3883	1374	-	4494	601	-	2048	4012	-	13910
TOTAL	17985	1760	73757	5670	5230	45370	13483	4313	63941	15432	650	43339	51868	11720	226402
Other Countries	2677	67	11385	804	150	3607	353	13	1526	21	-	84	3855	230	16554
GRAND TOTAL	20662	1827	84122	6483	5172	48483	13835	4326	64169	15443	650	43423	55723	11950	242956

Source: Figures compiled from the Customs' Records.

Ref and Xlat 8-4 (1951-52)1954 MEI Lebano MEI

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Table 30

Shipments' Deadhead

(in L.L. 1,000)

4457

	1951		1952		TOTAL	
	In Bottom	In Kind	In Bottom	In Kind	1951	1952
U Bend (Dual Use)						
From: Australia	1,080	1,350	441	1,125	2,430	1,566
U.S.A.	17,308	2,100	21,473	735	19,408	22,208
Iraq	1,150		3,100		1,150	3,100
Syria	110		250		110	250
Saudi Arabia			1,100			1,100
					23,098	28,224
Contributions to Village						2,230
					Total 23,098	30,454
Ex-U-Bits (Dualcode Use)						
Brazil	30,238		25,561		30,238	25,561
Australia	6,475	325	7,330	175	7,800	7,505
Colombia	1,400		1,730		1,400	1,730
Venezuela	3,250	613	3,763		3,863	3,763
Africa	10,025		11,350		10,025	11,350
U.S.A.	7,325	1,600	4,725	1,650	8,925	5,775
Saudi Arabia	35,000		96,950	3,763	35,000	100,713
					99,461	156,637
Contributions to Village					1,750	2,275
					Total 98,211	158,912
Dutch, British, Texas (Mixed)						
U.S.A.	3,500	325	4,775		3,825	4,775
Africa	3,500	150	2,800		3,650	2,800
South America	875		300		975	300
					Total 10,400	8,075
Britishers (Non-Europeans)						
U.S.A.	43,488	10,225	43,488	10,225	53,813	53,813
Brazil	12,863	1,137	12,863	1,137	14,000	14,000
Colombia	9,100		9,100		9,100	9,100
Bolivia	1,575	325	1,575	325	2,100	2,100
Canada	21,700	3,850	21,700	3,850	25,550	25,550
Mexico	3,500		3,500		3,500	3,500
Africa	325		325		325	325
					Total 108,388	108,388
Contributions to Village			11,200			11,200
					Total 108,588	119,788

8:Fei and Klat S-4 (1951-52)1954 MEI Lebanon MEI
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Table 31

Donations Received from Abroad by Charitable & Educational Institutions (in LL. 1,000)

Countries	1951	1952
Egypt	11	17
Kuwait & Bahrein	20	3
Syria	15	15
France	200	900
United Kingdom	763	674
Other Sterling Area	17	42
Other Western Europe	314	296
U.S.A.	8804	11439
Others	70	66
	10214	13452

Source: Information privately secured.

Appendix 1

000

Lebanese Republic
Bureau of Tourism

Foreign Visitors' Statistics

Hotel: _____ Quarter, 195____

Residence (1)	Number of Visitors (2)	Length of Stay (3)		
Egypt				
Iraq				
Jordan & Palestine				
Bahrein				
Qatar & Oman				
Kuweit				
Saudi Arabia				
Syria				
U.S.A.				
U.K.				
France				
Turkey				
Western Germany				
Iran				
Other Countries				
TOTAL				

Sgd._____

Notes on Appendix I

000 You are requested to fill in one form for each quarter and to send it to the Bureau of Tourism - Statistics Section - as soon as possible. Every three months constitute a quarter, thus the first three months of the year represent the 1st quarter, the following three months represent the 2nd quarter and so on until the 4th quarter.

1. Please note that the required classification of visitors is according to their residence and not nationality. A foreign visitor means, as far as tourism is concerned, one who does not live permanently or semi-permanently in Lebanon. For instance, an Englishman or a Frenchman living permanently in Lebanon for business purposes is not considered a foreigner and no distinction is made between him and any Lebanese living in Lebanon. Also, a Lebanese or an Englishman living in Egypt permanently is considered, when he is in Lebanon, as an Egyptian.

2. The number of foreign visitors, excepting children who are charged less than ½ the expenses of an adult.

3. The information requested is the total number of nights spent at your hotel by visitors who have departed during the period between the first and the end of the quarter, classified according to their residence abroad. Those who arrived during a quarter but have not departed during the same quarter should not be included in this table, but in the table covering the quarter in which they have departed.

8:Fei and Klat S-4 (1951-52)1954 ME1 Lebanon ME1

Appendix 2

STUDENTS FROM ABROAD 000

Academic Year 1952/53

Countries of Residence [1]	Number of Students
Egypt	
France	
Germany	
Iraq	
Kuweit	
Bahrein	
Saudi Arabia	
Syria	
U.K.	
U.S.A.	

Average expenditure per student on:

Tuition [2] _____

Board & Lodging _____

Books _____

Pocket expense _____

1 Please note that we are interested in the countries of residence, and not in the nationalities of students. Therefore, a student's permanent address and not the citizenship he holds is the criterion for classification. In other words, students whose parents do not ordinarily live in Lebanon are considered "from Abroad." A student's permanent address is normally the same as the address of his parents.

2 Please give the average tuition fee for both the elementary school and the high school.

Appendix 3

Quarterly Medical Expenses of Patients Who Are Non-Residents of Lebanon

000

Name: _____

Address of Hospital: _____

Year: _____

Countries of Residence	1st Quarter		2nd Quarter		3rd Quarter		4th Quarte			
	Number of Patients	Expenditure LL.	Number of Patients	Expenditure LL.	Number of Patients	Expenditure LL.	Number of Patients	Expenditure LL.	Total No. of Patients	Total Expenditure LL.
Egypt										
Syria										
Iraq										
Jordan										
Turkey										
Saudi Arabia										
Kuweit, Bahrein & Qatar										
Other Countries										
Total										

8:Fei and Klat S-4 (1951-52)1954 MEI Lebanon MEI 90

8:Fei and Klat S-4 (1951-52)1954 ME1 Lebanon ME1

Appendix 4

Enumerator _____ File _____ 000

Date _____ Number _____

Information Requested from *Residents of Lebanon* Returning from Travel in Foreign Countries

	Adults	Children
1. The information given hereafter covers the following number of persons:		
2. Nationality:		
3. Date you last left Lebanon:		
4. Airline or vessel you departed by:		
5. Date of re-entry into Lebanon:		
6. Airline or vessel you returned by:		
7. Approximate amount of fare:		
(a) Out-bound from Lebanon to	LL.	
In-bound to Lebanon from	LL.	
OR		
(b) Round trip by sea or plane from Lebanon to	LL.	
8. How much in addition to item (7) did you spend abroad for *all purposes* (lodging, food, amusements, gifts, visa and other fees, local travel, ... etc.)	LL.	
9. State the countries you have visited and the amount you spent in each:		
(Specify kind of currency)		

10. What was the main purpose of your visit? (underline)
Business Pleasure Government Service Study
Health Family visit Other (specify)

11. Comments

Appendix 5

000

DONATIONS

The information requested is of donations received directly from foreign countries.

Please fill in this form and forward either to the American University of Beirut, or to the Service de Statistique Générale, Ministère de l'Economie Nationale, Beyrouth, Liban.

	Foreign Country	Amount of Aid * Received
1951		
1952		

* All includes goods as well as money.

ME1 Lebanon ME1

8: Fei and Klat
125, 128

/For an account of the gathering of information on items affecting the balance of payments in Lebanon, copies of questionnaires used, etc. and an explanation of statistical methods used to derive balance of payment items, see category 116, entire source./

8: Fei and Klat
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ME1 Lebanon ME1

/For a detailed statistical summary of Lebanon's balance of payments in 1951-52, see category 116, entire source./